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# THE JERUSALEM POST

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Banks — good and bad news, page 6



Prime Minister Shimon Peres consoles Batsheva Katzon (seated) and Shulamith Katzon, mother and sister of former Justice Minister Shmuel Tamir, at yesterday's funeral in Jerusalem (See story, page 2.) (Taken/Media)

## Waldheim hailed by Hussein as patriot

Jerusalem Post Staff and Agencies

King Hussein praised "the noble human values" of President Kurt Waldheim and welcomed him to Amman with swooping jets yesterday, ignoring the war crimes controversy that had isolated the Austrian leader in his first year in office.

At a palace banquet in the evening, Hussein praised the former secretary-general for his "patriotism, integrity and wisdom," and said his election showed Austrians appreciated "the noble human values for which you stand."

The unusually warm welcome came only a week after Waldheim's first state visit abroad, to Vatican City, roused protests from Jewish organizations around the world.

They accused Waldheim of covering up his involvement in the deportation of Jews and partisans to death camps during the World War II service in the German army. Waldheim has repeatedly denied the allegations.

In Jerusalem, Industry and Trade Minister Ariel Sharon yesterday demanded that Israel publicly denounce Jordan for inviting the Austrian president.

Sharon said that it should be made clear to Hussein that Waldheim's visit conflicts with the possibility of improving relations between Israel and Jordan.

But Israel refrained yesterday from condemning the visit, although it sharply criticized the Vatican last week for the audience the pope granted the accused former Nazi.

The low-key Israeli reaction appeared to be a gesture of appeasement towards Jordan amid U.S.-backed efforts to start peace talks.



Waldheim and Hussein enter the royal palace yesterday. (AFP)

Prime Minister Shimon Peres rejected Sharon's bid and Foreign Minister Peres, who was present at the ministerial meeting when Sharon called for the denouncement, did not respond to it. (Continued on Back Page)

## Rabin seeks aid boost

# U.S. assumes Lavi is dead

By DAVID MAKOVSKY For The Jerusalem Post

WASHINGTON. — Defence Minister Yitzhak Rabin met yesterday with U.S. Secretary of Defence Caspar Weinberger, and it was tacitly understood by the two leaders that Israel would discontinue the Lavi project. Throughout their 75 minute conversation the implications of continuing with the Lavi were not ever raised. The thrust of the talks dealt with the consequences of scrapping the project, informed Washington sources say.

The two did not discuss the specifics of the military shopping list that Rabin is presenting, yet Weinberger indicated that he hoped to provide Israel with answers before next Sunday's cabinet meeting, or within 10 days at the latest.

Rabin told Weinberger that should Israel cancel the Lavi, it would seek to purchase over 100 American F-16C fighter planes. These planes would be bought off the shelf with no Israeli coproduction. Weinberger reportedly told Rabin that Israel would be assured of quick delivery of these aircraft.

Rabin conveyed to Weinberger the anguish in Israel regarding the future of the project, in terms of national security, economic and technological factors, and the psychological impact of cancellation



Defence Minister Rabin in an expansive mood in Washington, where he is discussing the fate of the Lavi with Pentagon officials. (AFP)

on Israel's pride and morale.

The issue of U.S. aid levels also figured prominently in the talks, with Rabin requesting that military aid be increased over the current \$1.8 billion military grant in view of the decline in the value of the U.S. dollar. But even Israel's best friends in Congress have told Rabin there are no prospects for Congress increasing the current aid level.

Weinberger reportedly confirmed

that of the \$1.8 billion in annual military aid, Israel will be able to spend at least \$600 million over the next two years in the form of "offshore" military projects, even if the Lavi is cancelled. The first half, \$300 million, has already been approved as part of the budget for the upcoming fiscal year.

Weinberger did not give final approval to this scheme, but said that he would consider allowing an

additional \$300 million to be used, over two years, for sub-contracting work in Israel on the military equipment that Israel purchases in the U.S. This is known as "offsetting costs," and the administration had previously planned to phase out the programme.

Still unclear is the issue of termination and compensation costs for the Lavi, which some put at over \$400 million. One source thought that Israel would be able to use its U.S. military aid for this purpose, once the project was formally cancelled.

Rabin told Weinberger that Israel appreciated the work of former Pentagon official Dov Zakheim on the question of the Lavi costs, but Israel had decided not to seek a compromise on the issue but to meet it head on.

Post Defence Reporter Joshua Brillant adds:

Prime Minister Shimon Peres and Vice Premier Peres are still in favour of the Lavi project but may join the opponents' camp if the financial hurdle involved in its continuation turns out to be too high.

The prime minister's spokesman last night denied that Shimon Peres had withdrawn his support for the Lavi. The spokesman was referring to an Israel Television report that quoted the prime minister as saying that under present conditions the continued production of the plane was impossible.

## Hussein: Int'l parley won't impose terms

Jerusalem Post Staff

Foreign Minister Peres was evasive in the Knesset yesterday when asked whether he had met Jordanian King Hussein during his recent visit to Europe.

Peres insisted that his questioner, Likud MK David Magen, had asked whether he had met with Hussein in order to influence him to issue a communiqué that would allow doubts about an international conference.

"I have never been asked nor have I ever written anything of the kind for King Hussein," Peres said.

"You asked me whether I met with him to draft a speech, and I have told you I did not write this. I was not asked to write."

Magen: "I didn't ask..." Peres: "You didn't ask! Then what I can reply to you about? I have replied to you... Since I wasn't in Zurich [which Magen had mentioned] I therefore didn't meet anyone, either by day or by night, and I am free of all need to answer."

In Turkey yesterday, King Hussein stressed his commitment to an international peace conference and said that it would be solely an opening for bilateral negotiations between the parties.

Hussein's conference idea resembles that repeatedly put forward by Peres.

The conference would discuss the disputed issues but would neither initiate nor impose solutions, the king was quoted as saying in the Arabic-language *International Syria* magazine, published in Paris this week.

The PLO should represent the Palestinian people at the conference table, Hussein said, but it first had to accept UN Resolutions 242 and 338.

He repeated the principle of "land for peace," saying: "We refer to all the Arab occupied territories."

Officials in the Foreign Ministry in Jerusalem said yesterday that in his talks with Turkish leaders, Hussein had said that the superpowers would not intervene or try to impose solutions.

## Defence officials defend their decisions

By ASHER WALLFISH Post Knesset Correspondent

Senior officials of the defence establishment, who appeared before the Knesset State Control Committee yesterday, presented a different version of the decision-making process in the Lavi warplane development project from the picture painted by the State Comptroller, whose report was issued on Tuesday.

Zvi Tropp, economic adviser to the defence establishment who attended the meeting with the deputy head of the Lavi project directorate, said the Lavi had been studied and analyzed more intensively than any defence production project in Israel's history. The cost calculations were based on the experience of U.S. aircraft manufacturers, and on Israeli Aircraft Industries' experience in manufacturing the Kfir warplane.

The two officials said that the Treasury had played a role in the decision-making process. A committee was set up in 1982, chaired by the director-general of the Treasury, Ezra Sadan, and including the accountant-general, Eitan Rapp, the

director-general of the Industry and Trade Ministry, Avraham Oshri, and Arye Ganger, a representative of the public.

Tropp said it was this committee which recommended to the finance minister that the Lavi project continue. The finance minister accepted the recommendation, and promised to allocate resources to it outside the defence budget, they said.

The officials also said that the Israel Air Force analyzed the importance of the development of the Lavi for the battlefield strategy of the future.

The Knesset panel's chairman, David Liba'i, said that the gulf between the State Comptroller and the defence officials was so blatant that the committee would have no choice but to dig deeply and invite all the defence ministers involved in the Lavi project to appear before it.

Minister-without-portfolio Ezer Weizman will appear next Tuesday.

The executive of the Alignment Knesset faction, meeting yesterday afternoon, launched a blistering attack on Likud cabinet ministers like

former premier Menachem Begin and Minister-without-Portfolio Moshe Arens in connection with the Lavi project.

Meanwhile, the Alignment used the term "corruption" to describe the State Comptroller's revelations about the ministries of Ariel Sharon and David Levy.

Alignment leaders said that Sharon and Levy were scored by the comptroller for the way they saw to "jobs for the boys" and the way they arranged licences, permits and other material benefits for their cronies.

Alignment chairman Rafi Edri said: "Sharon and Levy have been tapping the wealth of the nation to do their friends and proteges personal favours, according to the report."

Dvora Getzler adds:

An angry Foreign Minister Peres yesterday attacked calls for a commission of inquiry into the Lavi project and defended the decision on the project made by former governments.

(Continued on Back Page)

## Lid is clamped on soft-ware spy case

By BERNARD JOSEPHS Jerusalem Post Reporter

Police yesterday imposed a total news black-out on a big security scandal following reports that the Fraud Squad wanted those involved to be charged with treason.

At the same time an MK demanded a full-scale inquiry into the case, which involved the theft of highly

classified information from the aerodynamics department of the Haifa Technion.

Accused of stealing the secrets were three former Air Force officers who were studying at the university for their doctorates. The incident took place three years ago but only came to light yesterday. Two of the three are believed to be living in the

U.S. where they are working for the company to which they offered the information.

A police spokesman refused to respond to reports that the National Fraud Squad was pressing for treason charges.

"All I can tell you is that the details of the case have been handed over to the public prosecutor. Other

than that we are not prepared to comment," he said.

In a letter to Defence Minister Yitzhak Rabin and Justice Minister Avraham Shinar, Shinui MK Mordechai Virshupski said that the three were suspected of copying top secret computer software belonging to the Air Force after setting up a company (Continued on Back Page)

## Ties with China — near or far?

By DVORAH GETZLER

Contacts with China led Israel to believe that diplomatic relations between Beijing and Jerusalem could be established even prior to any peace conference on the Middle East, Foreign Minister Shimon Peres told the Knesset yesterday. But, he said, this would not happen overnight. (China yesterday stated that diplomatic relations with Israel were out of the question, despite reports of flourishing commercial links.)

Peres said the Chinese did not see the establishment of diplomatic ties as an impediment to their participation in the peace conference.

German Chancellor Helmut Kohl, due to visit Beijing soon, had been asked to repeat Israel's readiness for diplomatic ties. Peres said in answer to a parliamentary question by Likud MK David Magen.

Peres reported that at a meeting of the Middle East committee of the Socialist International in Paris recently, the Chinese diplomat attending the meeting had agreed that the issue of diplomatic ties would have to be solved, and added that there were "already scientific, industrial and agricultural relations."

But Peres refused to be drawn further, merely hinting strongly that there was more about which he would not speak. There were "gradual developments," he said.

In Beijing, a foreign ministry spokesman said yesterday: "China's position on opposing the policy of expansion and aggression of Israel remains unchanged."

"At present, the establishment of diplomatic relations... is simply out of the question," he added.

China's comments followed the arrival in Beijing this week of two leaders of the Israeli Communist Party.

Party Secretary-General Meir Wilner, who is also a Knesset member, said he was carrying no message from the Israeli government. Chinese officials emphasized the party-to-party trip had no government-level significance.

Wilner is the first Israeli Communist leader to visit China since 1956. He praised the welcome he had been given and said he had found intense interest in Israel and the Middle East.

Israel recognized the People's Republic of China after the communist takeover in 1949, but diplomatic links were never established.

Newspapers recently quoted Wang Lin Chin, a senior diplomat in Paris, as saying there were long-standing trade contacts.

## More suspects held in Ganei Yehuda attack

By JONATHAN KARP For The Jerusalem Post

GANEI TIKVA. — Police yesterday arrested three Jews suspected of threatening and attacking three Arab farm workers and their Jewish employer from Ganei Yehuda. Yesterday's action brings the number of suspects to four, after a 57-year-old Ganei Tikva resident was arrested on Tuesday.

The intended victims of the attack, which took place at around 1:00 Tuesday morning, were the Arab workers, who have lived in Ganei Tikva for about a year. On Sunday, they had filed a complaint with the police about anonymous threats to kill them if they did not leave their apartment by that evening.

Nothing happened that night, but

on the following night, seven men reportedly showed up at the apartment the Arabs are renting at 3 Rehov Ze'ev and accosted them. The farmer, who was concerned that something might happen to his workers following the threats, coincidentally arrived just afterward.

The assailants reportedly told the farmer to leave or he would be hurt as well. The farmer refused to leave,

and after a scuffle he suffered light injuries. The three Arabs were not injured, police said.

The police did not release any of the suspects' names or say which types of weapons, if any, were used in the beatings.

Eliezer and Sara Schwartz, who live in the adjoining apartment, said (Continued on Page 2, Col. 2)

## EC farm exports pass U.S.

WASHINGTON (AFP). — The European Community has replaced the U.S. as the world's leading exporter of agricultural products, according to a report published here.

A decade ago, U.S. farmers exported twice as much as their European counterparts. But in 1986, the 12-member European Community passed the U.S. as the world's largest agricultural exporter, wrote the U.S. Department of Agriculture in a report comparing the two farm economies.

The report said EC farm exports totalled \$28.1 billion in 1986, compared with \$26.1b. for the U.S. The 1976 figures were \$11.8b. and \$23b.

While an EC membership jump from 10 to 12 countries accounted for some of the increase, monetary policy and exchange rates were an important factor, the report added. A weakened dollar and falling world prices meant export subsidies had permitted increased European export sales at prices far below internal support levels.

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	1.7.87	MIN.	MAX.	
AMSTERDAM	14	17	23	Clear
BRUSSELS	14	17	23	Clear
BUDAPEST	18	19	24	Clear
CHICAGO	18	14	25	Cloudy
COPENHAGEN	15	19	22	Clear
FRANKFURT	20	18	24	Clear
GENEVA	16	14	20	Clear
HELSINKI	11	12	17	Clear
HONG KONG	29	24	33	Cloudy
JERUSALEM	3	3	28	Clear
LONDON	19	16	23	Clear
MADRID	28	16	37	Clear
MONTREAL	19	16	24	Cloudy
NEW YORK	21	13	31	Cloudy
OSLO	11	12	22	Cloudy
PARIS	16	14	27	Clear
RIO DE JANEIRO	14	17	24	Clear
SAO PAULO	11	11	23	Cloudy
STOCKHOLM	16	14	28	Clear
TOKYO	29	24	33	Cloudy
TORONTO	18	14	24	Clear
VIENNA	19	16	23	Clear
ZURICH	18	14	23	Clear

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## THE WEATHER

Forecast: Hot and dry in hilly areas and humid on the coast.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	37	18-30	30
Colan	27	18-31	33
Nahariya	20	20-30	31
Safad	38	—	—
Haifa Port	38	—	—
Tiberias	31	22-38	35
Nazareth	21	18-35	38
Afula	31	20-32	32
Shomron	31	20-32	32
Tel Aviv	72	22-30	29
B-G Airport	48	21-31	32
Jericho	27	22-40	40
Gaza	80	23-29	29
Beersheva	27	20-35	35
Eilat	18	24-42	42

## SOCIAL & PERSONAL

Violinist Itzhak Perlman and pianist Yonatan Zak performed *My Yiddish Mama* and Beethoven's *Pergolesi* at the Jerusalem Hilton last night in a benefit concert for Yad Sarah's 10th anniversary.

## Political elite pay respects to Tamir

A Who's Who of Israeli political life and of the Irgun and Lehi undergrounds turned out to mourn the passing of former justice minister Shmuel Tamir, whose funeral was held in Jerusalem yesterday. Tamir died on Monday at the age of 64.

President Herzog, Knesset Speaker Hillel, Prime Minister Shamir, Vice Premier Peres, Supreme Court President Meir Shamgar, Cabinet ministers, Attorney-General Yosef Harish, MKs, judges, former members of the underground, and more recent lawyer friends, passed by the body which lay in state at Binyanei Ha'uma.

Tamir's 90-year-old mother, Bat-sheva Katznelson, who was a member of the First Knesset, sat near the coffin with her son's widow Ruth, his two daughters and son and his sister Shulamith.

At 2 p.m. the cortege drove to the Mt. Herzl Military Cemetery, where the coffin rested for several minutes next to the grave of Tamir's son, David, who was killed in a helicopter crash in Sinai in 1971.

## DFPE in Budapest

BUDAPEST (AP). — A delegation of the Israeli Democratic Front for Peace and Equality, headed by its first secretary, Uzi Burstein, arrived in Budapest Tuesday, the official news agency MTI reported.

The delegation came at the invitation of the National Council of the Hungarian Patriotic People's Front, to "establish contacts between the two movements and exchange experience." MTI said.

## Amar and friends face charges of suborning witness

Attorney-General Yosef Harish announced yesterday that he had decided to press charges against seven people for attempting to suborn and pester a witness in the case against Yahad MK Shlomo Amar, who has been accused of offering a bribe to get out of doing reserve duty in Lebanon.

Harish added, however, that the bribery charges against Amar himself would be dropped due to insufficient evidence.

The seven who are to be charged attended what was later called "the nocturnal meeting," at which reserve Sergeant-Major Albert Azulay, the man who claimed he had been bribed by Amar, was allegedly pressured to change his testimony. They are: Amar's lawyer, Ram Caspi, Amar himself, if the Knesset House Committee agrees to lift his parliamentary immunity; two private investigators hired by Amar, who were retired senior police officers, Sgan Nitzav Aharon Yakim and Sgan Nitzav Avital Lambersky; Yosef Hoffman, the head of the Egged garage in Metulla, Yoram Ben Ami; and attorney Shraga Bleiser.

Attorney Yigal Arnon, in whose office the meeting was held, will also be charged, but that decision was made by the Tel Aviv district attorney to whom it was referred by the attorney-general. Arnon last night welcomed the decision to file charges against him, because it was the only way he could prove his innocence, he said.

Azulay, who was in charge of calling up reserves in his and Amar's

unit, charged that Amar had promised him a job in Egged if he would release him from reserve duty in Lebanon. Amar had been head of the Egged bus cooperative before his election to the Knesset in July 1984.

On January 7, 1986, Azulay was questioned by military police in an army installation in the North. In the middle of his interrogation, Ben Ami is said to have entered and asked Azulay to step outside. He took him to Tel Aviv, where the two former police officers, now in Amar's pay, allegedly tried to persuade him that he was mistaken in his complaint. On the following night he was invited to the "nocturnal meeting" when the participants allegedly tried to persuade him to drop his complaint.

The entire matter of the nocturnal meeting was investigated by the police, who recommended to the head of the Criminal Investigations Branch that the participants be put on trial. But he asked for a second opinion from a police lawyer, who recommended that the case be closed.

Both recommendations were forwarded to the attorney-general. He set up a top-level committee of jurists who recommended that the participants be tried.

It is still not clear whether the Knesset House Committee will agree to deal with the attorney-general's request to lift Amar's parliamentary immunity before the Knesset recesses later this month. If it does not, the entire matter will be postponed until the end of October when the Knesset resumes its sessions. (Itm.)

## Kahane yields on declaration

By DVORAH GETZLER

Post Knesset Reporter  
A defeated Meir Kahane yesterday paid homage to Israeli democracy and after consulting "the greatest rabbis in the country," declared his allegiance to the Knesset and the State in the approved manner.

The fight to uphold the Torah and to bring about the Kingdom of God on earth made it imperative that he participate in the Knesset, the rabbis ruled, according to a letter Kahane wrote to speaker Shlomo Hillel.

Thus ended a chapter of defiance which began in September 1984, when the extreme right-wing Orthodox Kahane, who was elected to the 11th Knesset as head of the Kach list, qualified the declaration of allegiance with a verse from Psalms that made it clear that he placed Halacha above the law of the land.

A month ago, Hillel called on Kahane to repeat the declaration. But Kahane again, and in tones of contempt, resorted to the quotation from Psalms: "I shall observe God's law, for ever and ever." Hillel then barred him from the House chamber.

Yesterday, Hillel called on Kahane to come forward again.

That appeal followed Sunday's High Court ruling that had given full backing to Hillel's earlier move and rejected Kahane's petition for the court's aid.

Kahane, the High Court said, had not fulfilled the necessary conditions for its aid: he had not come with clean hands and a pure heart, and he had "sworn deceitfully."

Hillel refused to call Kahane on

Sunday after learning that the Kach list intended to take the oath in a manner contemptuous of the Knesset. The Speaker told him that until he received a written undertaking that Kahane would declare his allegiance without further trickery he would not be called again. He also stopped Kahane's parliamentary salary. There was a limit to the Knesset's patience, Hillel told the Knesset yesterday.

Further, Hillel said he had made it quite clear to Kahane that his intention to make the declaration in Arabic — as a sign of his contempt for the Knesset — was unacceptable.

The use of Arabic "was not intended to express contempt, or to insult the Knesset, but rather to enable Arab MKs to express their views in their own tongue," Hillel said.

Hillel then told the Knesset that Kahane had sent him a letter citing rabbinical advice. "I don't know from which rabbis," Hillel added.

Accordingly, he was calling on Kahane in the hope that he would "make the declaration in full, and in all sincerity, and thus honour the House, the legislature, as required by law. I call upon him to come to the podium and say, after my reading of the declaration, 'I so undertake'."

Kahane went obediently and stood quietly as Hillel read: "I undertake to be faithful to the State of Israel and to faithfully fulfill my obligations as a Knesset member."

"I so undertake," said Kahane. And, without uttering another word or glancing at the Speaker, he turned and left the chamber.

## SUSPECTS

(Continued from Page One)

They were awakened after 1 a.m. by the sound of rocks, breaking bottles, punches and screams. The Schwartzes, an elderly couple, said yesterday that they had good relations with their Arab neighbours. They also said that four young Arab men, rather than three, rented the apartment.

One police source linked the Ganei Tikva attack with last week's violent Jewish-Arab confrontation in the Ramat Amidar neighbourhood.

Meanwhile, 10 young rabbis who officiate in religious kibbutzim and moshavim yesterday issued a public statement sharply criticizing recent attacks on innocent Arabs, their property and their personal dignity.

The rabbis, whose statement came in the wake of the attacks in Ramat Amidar and Ganei Yehuda, said that such acts, committed by Jews "constituted a desecration of the Name [hullul shem shantayim] and were totally at odds with a sense of natural justice and of Israel's Torah morality."

The signatories were Rabbi Yehuda Gilead of Kibbutz Lavi; Rabbi Shmuel Shapira of Moshav Hazorim; Rabbi Menachem Waldman of Moshav Nir Etzion; Rabbi Simcha Weiss of Moshav Kfar Haroeh; Rabbi Danny Shilo of Katzin; Rabbi Yosef Tavori of Moshav Be'erot Yitzhak; Rabbi David Bergman of Ma'aleh Hagibon; Rabbi Shmuel Fuerstein of Kibbutz Sde Ilan; and Rabbi Yehzekel Lichtenstein of Kibbutz Ein Hanatziv.

## To Mr. Jack Sklan

On the occasion of receiving the President's Award for Voluntary Services  
*Mazal Tov*  
and  
*Yishar Koach*  
The Management and Staff of the Nachum and Fanny Williams Creche



Foreign Minister Shimon Peres shakes hands with Israel's new consul-general to Atlanta, Muhammad Masrawa, at a party yesterday in his hometown of Kafr Kar'a. At right is Minister without Portfolio Ezer Weizman. (C. Nutkiewicz/Medea)

## Amal rounds up Palestinian arms smugglers near Tyre

By DAVID RUDGE

Jerusalem Post Reporter

ROSH HANIKRA. — Amal Shi'ite militiamen have arrested dozens of Palestinians suspected of smuggling arms to the Rashidiyeh refugee camp near Tyre.

Some of the weapons, which included Grad missiles and Katyusha rockets, were undoubtedly destined for use against targets in Israel and the security zone in South Lebanon, informed sources told *The Jerusalem Post*.

In the past few days, Amal militiamen have detained more than 50 people, mostly Palestinians.

The round-up of suspects followed the discovery, 10 days ago, of a huge arms cache in olive groves near the Rashidiyeh camp.

The hidden store contained 300 Kalashnikov rifles, scores of RPG

launchers and grenades, as well as the Grad missiles and Katyushas.

The weapons had apparently been smuggled from Palestinian camps near Sidon through a well-organized chain.

Sources in South Lebanon said that Amal militiamen had increased their watchfulness around the Palestinian camps in the south following the discovery of the cache.

Amal lifted its four-month siege of the camps in February, after intensive Arab and international pressure. Nevertheless, the Shi'ite organization has maintained its control and supervision of all access routes.

The sources noted that, despite the lifting of the siege, relations between Amal and the Palestinians were still "very strained," especially in the south.

"For the most part the young men

stay in the camps on guard, while the older people and women go out to get supplies and then return," said one source.

He stressed that Amal's overriding reason for maintaining its close watch on Rashidiyeh and nearby camps was to prevent a resurgence of Palestinian power in the region.

"All the action taken by Amal is directed towards that end. They don't want the Palestinians to become a military force and start ruling the lives of the local population as they did in the past."

"The rockets and missiles were probably destined for use against Israeli targets, but such weapons, especially the rifles and RPGs, could just as easily have been turned against the local residents," the source added.

## High Court asks why complaints against Sharon weren't checked

The High Court of Justice yesterday gave the police minister and the force's inspector-general 90 days to explain why they had not investigated complaints filed against Industry Minister Ariel Sharon and people connected with him.

The court, comprising Justices Aharon Barak, Gavriel Bach and Eliezer Goldberg, were ruling on an application by Citizens Rights MK Ran Cohen, who had filed the complaints against Sharon.

The allegations deal with Sharon's ban on the import of mutton while being a mutton raiser himself; the import of iron rods, in opposition to established ministry policy, which benefited a close supporter; the submission of false documents by Sharon's aide, Israel Katz, in support of his candidacy for the post of deputy director of Israel Chemicals; and Sharon's approval of \$150,000 in ministerial aid to a member of the Herut Central Committee, whose security-guard firm was in financial trouble.

The court found that the fact that the State Comptroller had not seen fit to comment on those complaints was insufficient cause for the police not to investigate them. Cohen's attorney presented the court with a deposition claiming that the ministry had withheld critical evidence from the comptroller when he had sought to investigate the complaints. (Itm.)

## Different kind of Aids test

By BRADLEY BURSTON

For The Jerusalem Post

BEERSHEBA. — Medical student Eran Shenkar gave himself a case of Aids earlier this week. But after 12 hours, he decided he'd had enough.

"One of the nurses told me she stopped breathing when she entered my room," Shenkar said yesterday, after participating in an optional "simulation project" designed to give the first-year students at Ben-Gurion University's medical school a taste of what being a hospital patient is like.

Last Sunday morning, the 23-year-old Shenkar, unshaven and dishevelled, appeared at the emergency room of Soroka Hospital here with simulated test results consistent with those of an Aids sufferer.

He told the staff that he had been in the U.S. for eight months and had taken ill after having a number of sexual relationships. A physician who had been ill in advance of the exercise ordered blood tests, cautioning staff against nicks from the needle.

Shenkar was then admitted and hospitalized in the quarantine room of an internal medicine ward. For some time, Shenkar said yesterday, no one on the staff dared approach him, but eventually staff members treated him well, "if with caution."

"There were no examples of leaving the meal tray by the door and running out again," Shenkar said, adding that the most difficult of the exercise from the staff's point of view seemed to be accepting the fact of his sudden "recovery." Though he had a certificate stating that it was a simulation exercise, "the staff couldn't break down the barrier that had gone between us."

## Green light for NRP on Who's a Jew amendment

By ASHER WALLFISH

The Chief Rabbinate Council this week decided that the National Religious Party can support the Shas initiative to push through the essence of the "Who is a Jew" amendment to the Law of Return through the back door.

Shas has proposed an amendment to the 1977 Mandatory Ordinance that required all religious conversions in the country to be approved by the head of the religious community to which the person was converting. The Shas amendment would have extended the terms of the ordinance to conversions performed abroad, thus making all Reform and Conservative conversions subject to

approval by the local chief rabbis.

This week's Chief Rabbinate decision makes NRP support for the Shas bill conditional on making the term "religion" in the ordinance synonymous with "nationality." It is believed that such a change could spark a major constitutional crisis.

MK Avner Shaki (NRP), told *The Jerusalem Post*: "Identity cards do not specify a person's religion, only his nationality. What we care about is what it says in the identity card. Therefore the draft legislation will have to read that the purpose of registering a person's acquired religion, a Jew's 'religion' and 'nationality' will be regarded as one and the same."

## MK censures Red Cross, Amnesty

By BENNY MORRIS

MK Miriam Glazer-Ta'asa has demanded that Foreign Minister Peres halt the activities in Israel of the International Committee of the Red Cross and Amnesty International, until they intercede on behalf of three dozen jailed Ethiopian Jewish activists in Ethiopia.

In the call to Peres, the chair-

woman of the Knesset Immigration and Absorption Committee declared that Israel "should not agree to the Red Cross and Amnesty operating freely in Israel" while they do not "simultaneously act" on behalf of the Ethiopian Jews. She was apparently referring to the two organizations' work on behalf of jailed Palestinians in Israel.

## Weizman thinking of Red Square

By BERNARD JOSEPHS

Jerusalem Post Reporter  
Minister-without-Portfolio Ezer Weizman declared yesterday that he would "gladly accept" an invitation to visit Moscow — if and when it comes.

He said he was convinced that big changes are afoot in the Soviet Union, but confided that it was not just the liberal-seeming policies of Mikhail Gorbachev that had persuaded him.

Rather, said Weizman yesterday, it was the sight of the Russian leader's granddaughter standing on the podium in Red Square on May Day that had confirmed his views.

Speculation is growing that Weizman is to receive an invitation from the Kremlin for top-level talks with Soviet officials.

Even his own staff were in a spin over the affair. Late Tuesday night an aide told *The Jerusalem Post*: "We don't know anything about it."

Yesterday morning the same aide said no invitation had arrived, but added he could confirm that one had been sent via French intermediaries. Then, last night, Weizman's staff said they simply didn't know if a letter from Moscow was on its way.

Weizman said that there could be a few problems getting the trip approved by the cabinet, but he was sure the government would not turn down an opportunity for direct talks with the Soviets.

As to what he would say to Gorbachev's men, Weizman cautioned: "That is something that would have to be decided if and when the invitation arrives. I am sure I will be ordered what to say and what not to say. Maybe the cabinet will try to put me in handcuffs — but I'm a great Houdini."

The minister, one of the cabinet's more dovish members, told this reporter that he had no doubt that Soviet policy was changing. "I've been saying so publicly for two years," he went on.

Dvorah Getzler adds:

Foreign Minister Peres yesterday insisted that he had no knowledge of any invitation to visit Russia issued to Minister Weizman or any other minister.

Peres, replying to parliamentary questions in the Knesset plenum, said that if such an invitation were issued, it would be the government and the government alone that would give permission for the visit to take place, and determine which minister would make the visit.

As minister-without-portfolio, said Peres, Weizman probably had no exact counterpart in the USSR who could issue a collegial invitation.

## Court agrees to Suissa's release

RAMLE (Itm.). — Former Prisons Service commissioner Rafi Suissa, whom police detained on suspicion of attempting to suborn witnesses in connection with burglary charges against his son, David, was due to be released last night.

Agreement on the conditions of the release, which was concluded between the police and Suissa's lawyer, were approved by Ramle Magistrates Court Judge Avraham Beiser. Suissa promised not to contact anyone connected with his son's case.

AMERICAN FRIENDS OF  
SHAARE ZEDEK MEDICAL CENTER  
extends condolences to the family of

**ELSA (Zelda) PELS**

who passed away in London on June 29, 1987

Charles H. Bendheim, President  
Am. Committee for Shaare Zedek  
Morris Tolansky, Exec. Vice-Chairman  
Int'l. Board of Governors  
Ludwig Jesselson, Chairman  
Board of Directors

The Administration of the Shaare Zedek Medical Center  
shares the grief of ELCHANAN PELS  
on the death of his mother

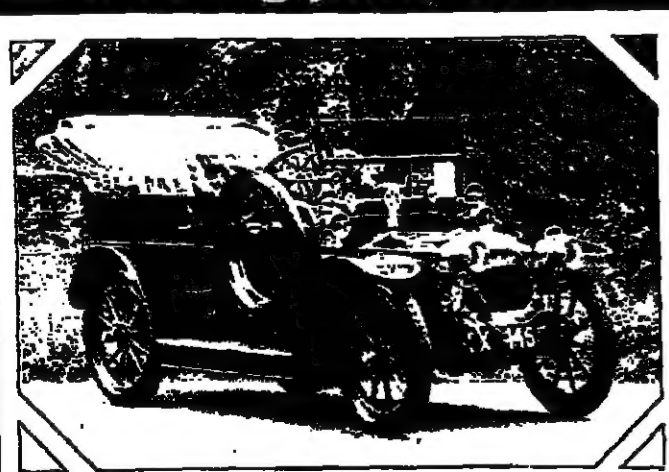
**ELSE PELS** ז"ל

May you be comforted together with the mourners of  
Zion and Jerusalem.

The Israel German Chamber of Commerce and Industry  
shares the grief of its President,  
MR. MICHAEL PASSWEG  
on the passing of his beloved wife

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הנהלת העיתון



SEOUL (AP). — President Chun Doo Hwan yesterday announced his agreement to opposition demands for direct presidential elections and sweeping democratic reform.

The changes are intended to end decades of authoritarian government.

Chun, looking tired and grim, went on national television to make the announcement, which came three days after the end of 2½ weeks of daily, often violent anti-government demonstrations.

"Because social stability and national harmony were being undermined by the recent continuing demonstrations and strife...I believe that you, my fellow countrymen, not only experienced serious inconvenience and anxiety but were also worried that catastrophe might befall the nation," Chun said.

The president who said he had "spent many sleepless nights" announced he would accept demands for direct presidential elections, electoral reform, press freedom, release of political prisoners, curbing of central government power and other measures.

"Now is a crucial moment in the destiny of the nation," he said.

## South Korean president backs down

# Chun consents to sweeping reforms, direct elections

Chun repeated his pledge to step down when his seven-year term expires on February 25 and transfer power to a president elected by direct popular vote. The electoral college system to be scrapped had virtually guaranteed victory for the ruling party.

He promised an extensive amnesty for political prisoners, but did not mention specifically Kim Dae Jung, a veteran dissident under a suspended 20-year prison sentence from a 1980 sedition conviction that stripped him of his civil rights and barred him from politics.

Koreans greeted Chun's announcement with happiness, excitedly discussing the impending changes. Groups of people gathered in shops, tea houses and other places

to hear the speech on televisions and radios. Extra editions of newspapers were published.

Chun's concessions amounted to an agreement to dismantle the tough political controls his government has exerted since he took power with military backing in 1980. He said work already had begun on releasing political prisoners and other measures.

"No matter how good a system may be, it is of no use if the people do not want it," Chun said. "I believe that the intrinsic function of politics is to carry out the public will."

Opposition leaders hailed the speech and said the government had accepted that the Korean people wanted democratic government and an end to the authoritarian govern-

ments that have dominated the nation since its founding in 1948.

"The government and the ruling party have set forth the measures for democratization. But they resulted from the persistent struggles by the people, students, religious people, intellectuals and workers," said Kim Young Sam, leader of the main opposition Reunification Democratic Party.

Roh Tae Woo, head of the ruling Democratic Justice Party who had been handpicked by Chun to succeed him as president, stunned the nation on Monday by demanding the president submit to opposition demands. Roh, another former general, said he would resign if Chun did not agree.

Chun acknowledged that there

had to be change and he accepted Roh's eight-point plan encompassing the main opposition reforms.

But Chun sought to defend his policies and past opposition to direct presidential elections, saying he still believed they would cause problems. He said that in the past they had "led to protracted one-man rule."

"However, I clearly recognize the fact that regardless of the possible merits and demerits of a particular system and irrespective of the preferences of any specific political party, the general public has an ardent desire to choose the president directly," he said.

Roh's eight-point package essentially demands an end to the strict government control over many aspects of Korean life. Politics would not be regulated, people would have the right to express their views freely, the government would respect human rights and local government, colleges and other bodies will be allowed autonomy.

A key demand is an end to existing controls on press freedom, such as a ban on newspapers having correspondents in the provinces and regulations requiring journalists to have official credentials.

## Iraqi jets hit tanker in 'reprisal' raid

BAGHDAD. — Iraqi planes yesterday attacked an oil tanker in the Gulf close to the Iranian coast, the Iraqi news Agency (INA) reported. It quoted an Iraqi military spokesman as saying the planes made accurate hits on the vessel and returned safely to base.

The attack follows an Iranian raid on Tuesday on a Kuwaiti cargo ship, itself in reprisal for a first Iraqi attack on Monday on another tanker off the Iranian coast.

In a related story, Reuters reported that President Reagan's plan to protect 11 Kuwaiti ships in the Gulf will likely begin in two weeks despite grave fears in Congress that U.S. forces could be dragged into military confrontation with Iran.

Iran on Tuesday had urged the United Nations to punish Iraq for resuming "large-scale use of chemical weapons" against Iranian civilians.

The Iranian complaint to UN Secretary-General Javier Perez de Cuellar was prompted by Iraq's reported chemical attack on Sunday. Iran's mission gave the updated casualty count on Tuesday as 2,050, including 12 dead and 650 seriously injured.

Iranian President Ali Khamenei on Tuesday boasted that his nation's missiles can deal Iraq fatal blows and warned U.S. forces to pull out of the Gulf or face humiliation.

In Moscow, the U.S. envoy to the United Nations, Vernon Walters, yesterday began an official visit expected to focus on efforts to end the Gulf war.

U.S. embassy spokesman Jaroslav Verner said Walters would meet Soviet Deputy Foreign Minister Vladimir Petrovsky today for a first round of talks. He said meeting with more senior Soviet officials were possible.

In other developments, French police kept a close vigil on the Iranian Embassy in Paris after reports that a wanted Iranian was hiding in the building, the Interior Ministry said.

Police questioned several people entering and leaving the Embassy in the exclusive 16th district and French Television broadcast pictures of a man it said was an embassy official being led away by police for questioning.

Iran reacted with a warning of "the consequences of such behaviour."

Police stepped up security around the Embassy after reports that Embassy interpreter Valid Gordji, suspected of links with Middle East terrorists accused of bomb attacks on the French capital last year, was in the building.

Intelligence experts say Gordji is suspected of being the head of Iranian Intelligence in France.

## Problem for 'Glasnost'

# Sinister Soviet nationalist association revives Protocols of Elders of Zion

By ANDREW WILSON

MOSCOW. — Hardly a week goes by here without more exposure in the Soviet press of the activities of the sinister Russian nationalist association called Pamyat (Memory).

The latest, in *Izvestia*, is by two reporters who have listened to recordings of a Pamyat meeting at which speakers are said to have read out part of the notorious *Protocols of the Elders of Zion*. The *Protocols* purport to be a verbatim report of a congress at the beginning of this century at which Jewish leaders are supposed to have plotted to seize world power. A subsequently proven forgery, they were put out in 1905 by right-wing extremist Russian patriotic association, the Union of the Russian People, and later used by the Nazis to justify the Holocaust.

*Izvestia* describes their history as "dirty and sinister" — yet Pamyat considers them to be "one of the keys to a 'real' understanding of the past, present and future of the country in which we live."

The two reporters described a visit to the home of a prominent Pamyat supporter, D.D. Vasiliev: "The flat where our conversation took place looked like a museum. One the walls were icons, pictures, old photographs, including a photo of the Tsar and his minister, Stolypin. But on the table was a volume of Lenin."

"How can one reconcile these things — Stolypin on the wall and Lenin on the table? Later we found that Stolypin is considered by Pamyat to have been a progressive reformer whose experience should be used in today's

perestroika (reconstruction)."

The reporters go on to describe Pamyat followers as "hysterical" and "dramatically suspicious." Their leaders have a "half-knowledge of history" and are a "demagogic group exploiting those who really care about today's problems." (The ostensible and original aim of the association was to preserve the Russian cultural and architectural heritage, by restoring old monuments.) Their followers are sufficiently naive to believe their innuendoes about the "dark power of the Jews," says *Izvestia*.

For example, Vasiliev cites the *Protocols* reference to underground passages built in every world capital in order to blow up seats of power, and claims that the Moscow Metro will be used for the same purpose. Pamyat leaders are also convinced that the "dark powers" have had a hand in the editing of Soviet leader Mikhail Gorbachev's speeches, deleting every good thing that is said about the Russian people.

Crackpot though it may be, Pamyat clearly has a following and knows how to touch an obsessional, chauvinistic chord that has historically been present in half-educated sections of the Russian society.

The irony is that it should now present a problem to the new era of *glasnost* (openness) in which the authorities are reluctant to seem to go back on their word by suppressing a movement that they nevertheless recognize as being extremely unpleasant.

Pamyat is clearly aware of this dilemma, and trading on it. (London Observer Service)



FORTY-SEVEN YEARS AFTER. — Army sappers with a World War II 2,200-lb. bomb which they safely defused late on Tuesday. It was found by workers on a building site at Bermondsey, South London. Police emptied streets, evacuated homes and closed pubs for 30 hours as sappers defused the bomb which was dropped during the Nazi blitz of the British capital. (AFP)

## FOREIGN BRIEFS

### Bad food, no vote for canteen manager

MOSCOW (Reuters). — Moscow University teachers and students, tired of bad food, took revenge on their canteen manager by refusing to elect her as a local councillor, it was reported yesterday.

Irina Dodonova stood unopposed in a district where most of the voters were students and academic staff, yet was the only candidate in Moscow who failed to reach the 50 per cent share of the vote required to win a seat, *Literaturnaya Gazeta* said.

It said Dodonova was capable of producing fine meals and good service when Communist Party officials or foreign delegations ate at her canteen, but that regular customers knew the unpalatable truth about her food.

### Couple claims \$20m. lottery prize in U.S.

HARRISBURG, Pa. (Reuters). — A Pennsylvania lottery ticket worth \$20.4 million was cashed in on Tuesday by a couple who waited more than two weeks before claiming their winnings so they could get legal and financial advice.

The winning ticket came up in Super 7, a game in which players try to match seven of 11 numbers randomly drawn from 1 to 99. "We felt from the beginning this was a gift from God," said Glenn Banner, 53, a high school Spanish teacher. He said he planned to keep his job and he and his wife would keep their home so long as others respected their privacy.

### Bolshoi Ballet bomb scare at Lincoln Centre

NEW YORK (AP). — A grenade wrapped in aluminium foil was found in a trash can in Lincoln Centre before a performance of the Bolshoi Ballet on Tuesday night, according to the centre's director of security.

At the time, authorities were not even aware that bomb threats against the Soviet Ballet troupe had been phoned to the Associated Press, the *New York Times* and a police emergency operator, the security director said.

Across from Lincoln Centre, a small demonstration was held by an organization called "The Student Struggle for Soviet Jewry." The protesters held up signs saying, "Free Soviet Jews" and "No Ballet until Freedom for Jews."

### Arab-Americans to block shutting of PLO offices

WASHINGTON (AP). — Arab-American leaders and others who support a dialogue with the PLO announced Tuesday the formation of an organization to oppose efforts to close PLO offices in the U.S.

The American Commission on American-Palestinian Relations sponsors include former hostage Rev. Benjamin Weir, and encourage a dialogue between the U.S. and the PLO, and the American Israel Committee for Israeli-Palestinian peace, two liberal Jewish groups.

The commission will encourage a dialogue between the U.S. and the PLO.

### Iranian diplomats leave UK in last expulsions

LONDON (AP). — Britain and Iran ended their tit-for-tat expulsions on Tuesday when 15 Iranian diplomats flew home, leaving one caretaker representative in each country.

The diplomatic row began on May 9 when British police arrested an Iranian diplomat in Manchester and charged him with shoplifting. Britain's no. 2 diplomat in Teheran, Edward Chaplin, was then beaten and arrested, apparently in retaliation. The two countries then went through a series of expulsions and voluntary reductions of diplomatic staff.

### Firm sells 28 million condoms to Aids foundation

MELBOURNE (Reuters). — An Australian-based company yesterday announced a contract to supply 28 million condoms to a new anti-Aids foundation set up by British millionaire businessman Richard Branson.

Pacific Dunlop said in a statement that its Ansell International division, the world's largest producer of condoms, had signed an exclusive long-term contract to supply Branson's Virgin Foundation with condoms.

Branson, head of the Virgin Record and Travel group, set up the foundation with £5 million of his own money as a non-profit health care organization to combat Aids among British youth.

## Diluted farm reforms for EC

BRUSSELS (AP). — Farm ministers of the European Economic Community (EEC) agreed yesterday on a watered-down package of farm policy reforms designed to curb the EC's growing subsidies and surpluses.

The measures include a general freeze of guaranteed prices for farmers' produce and a series of changes in regulations designed to curb overproduction.

The package had been in dispute for more than three months, creating political tensions among many of the trading bloc's 12 members.

Dropped from the deal was a new tax on vegetable oils and fats that the U.S. and other EEC trading partners had lobbied against as a protectionist move that could trigger a trade war.

The accord was reached by a majority vote shortly after dawn, several hours after a summit meeting of the EC heads of government or state settled two of the stickiest issues in the farm negotiations.

The Greek delegation to the farm talks voted against the package, while West Germany and Ireland opposed certain parts of it.

Officials said they were pleased with the outcome, even though many of the measures were either removed or weakened in order to satisfy the majority.

"This does represent a further significant step in reform" of the trading bloc's common agricultural policy, said John MacGregor, the British Minister.

The EC's agricultural policy in-

cludes a complex system of export subsidies, production incentives and guaranteed prices that shields Europe's farmers from the effects of falling world prices for agricultural commodities. It is blamed for creating huge surpluses of milk, grain and other products that are straining EC finances.

About 70 per cent of the community's current budget of 36.2 European currency units (about \$41 billion) is spent on agriculture.

The agreement ended months of bitter wrangling over the proposal, which was supposed to have been decided by April 1, when the 1987-88 farm marketing year began. Because of the deadlock, the previous year's farm prices and regulations had been extended.

## U.S. puts ban on Toshiba

WASHINGTON (Reuters). — The Senate voted in anger late Tuesday to punish Japan's Toshiba Corp. and the Norwegian firm Kongsberg Vaapenfabrikk with a costly ban on imports because of illegal sales of advanced military technology to the Soviet Union.

The U.S. accounts for about 10 per cent of Toshiba's sales and the move could cost the company between \$3 billion and \$4 billion, industry analysts said.

The Senate voted 92 to 5 to require at least a two-year ban on imports of the two companies' products.

Congress has been outraged at the severe blow dealt to U.S. military technology by the sale of advanced propeller milling machinery and computer software in a joint effort by Toshiba and Kongsberg.

The exports enabled the Soviet Union to vastly improve its submarine fleet by making the propellers nearly noiseless and thus overcoming a substantial Soviet naval weakness.

To become law the ban must also be passed by the House of Representatives and signed by President Reagan.

In Tokyo yesterday, the president and chairman of Toshiba, Sugichiro Watanabe and Seiichi Saba, resigned to take responsibility for the illegal sales to Moscow.

## Barbie trial uproar over accusations against Israel

LYON (Reuters). — Klaus Barbie's lawyer yesterday compared the former Nazi officer's war record with Israel's treatment of Palestinians, provoking anger among private prosecutors.

Public galleries packed with journalists and onlookers erupted in applause and whistling as lawyers shouted at each other during a final plea by Barbie's three-man defence team.

The uproar, one of the noisiest in the two-month trial, broke out when a lawyer representing Jewish victims of Nazi persecution, Michel Zaoui, tried to interrupt the final arguments of Algerian lawyer Nabil Bouaita.

"This is extremely grave and intolerable," he shouted after Bouaita suggested that the 73-year-old former Gestapo chief was no more guilty of crimes against humanity than Israel.

Joined by other prosecution lawyers representing Jewish groups, Zaoui demanded court time to reject accusations against Israel.

Under French law, lawyers representing private groups can associate themselves with the state prosecution. There are 39 such lawyers pleading on behalf of Jews and former members of the French resistance movement.

Earlier, the lawyer defending Barbie accused France of racial discrimination in trying Barbie for crimes against humanity while ignoring the killing of thousands of Algerians by French troops.

"Do crimes against humanity only merit this name when they are committed against Europeans?" Jacques Verges asked as he began his final plea before the Lyon assize court.

The 73-year-old defendant, continuing a boycott begun on the third day of the two-month-long trial, was again absent from the dock.

His lawyer said any crimes committed by Barbie while Gestapo chief in this southeastern French city from 1942 to 1944 were no different from those committed by France during fighting in Algeria and other colonial conflicts.

Verges stabbed his finger angrily at prosecution lawyers on the other side of the court as he protested at those who tried "to discriminate in what is intolerable."

Referring only briefly to Barbie and his alleged crimes, Verges focused on France's suppression of a 1945 uprising against colonial rule in the Algerian town of Setif.

He said 15,000 Algerians, including scores of women and children, were gunned down in Setif while only 104 Europeans died in the short-lived rebellion.

The state prosecutor on Tuesday urged that Barbie be jailed for life for his role in the deportation of over 800 Jews and resistance fighters to Nazi death camps during World War II.

Verges, a left-wing activist and a member of the wartime anti-German resistance, has three days to persuade nine jurors and three judges to reject the demand for a life sentence, France's stiffest sentence. He is assisted by lawyers from Algeria and the West African state of Congo.

It was the first time since the trial began on May 11 that the defence had been able to pursue at length its claim that the former Nazi police interrogator's actions were no worse than crimes committed by France during its colonial wars.

Judge Andre Cerdini had previously dismissed such comparisons as irrelevant and refused to allow defence witnesses to dwell on the issue.

Barbie is the first and probably the last former Nazi to be tried in a French civil court for crimes against humanity, a concept adopted by the post-war Nuremberg tribunal before which Nazi leaders appeared. It was introduced into French law in 1964.

He was sentenced to death twice in his absence by French military tribunals in the 1950s. The sentences are no longer valid as they were for war crimes covered by a 20-year statute of limitations.

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Amizad/Ban Kielev  
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State Comptroller's Report/Toi Marcus  
**In the Shadow of the Lavi**  
Special report on the defence industries/Roman Friester  
**Ambassador From Another World**  
Picturing maneuvers between Peres and Shamir/Ryal Ehrlich  
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THE HOUSING MINISTRY

# Levy relatives find jobs at Shikun U'Pituah

By MARCIA KRETZMER  
For The Jerusalem Post

Shikun U'Pituah took on four new employees — all of whom had good political connections and two of whom are relatives of Housing Minister David Levy, after a decision had been taken in principle to cut back the staff as part of a steady reduction in the scope of the state-owned company's activities and sales, the State Comptroller charges.

In 1985, 43 people lost their jobs at Shikun U'Pituah, but immediately afterwards, the four were given jobs that the comptroller contends were either unnecessary or had been created especially for them.

The procedures for hiring the four were contrary to standard practices and were not preceded by the usual tenders or vetting procedures. Later, the company entered into negotiations with the works committee, which opposed the appointments and had won an injunction from a district labour court on the matter, which produced agreements under which two of the appointments would be scrapped and large bonuses paid to employees in return for their agreement to the other appointments.

It was also pointed out in the report that the hiring of the four was in contravention of an opinion of the attorney-general and a government decision of March and November 1985 that only relevant criteria could dictate the appointment of employees in government corporations. It was made clear that political affiliation was not such a criterion.

The comptroller also found fault with the works committee which, it

said, ignored its responsibility to uphold proper conduct and instead pursued its own interests in trying to win monetary concessions instead.

The State Comptroller recommended that all four appointments be rescinded immediately.

Repeating the charges contained

in the report, the spokesman of the Housing Ministry insisted there were no irregularities whatsoever in the appointments. He did concede that the agreements between Shikun U'Pituah's chairman and the works committee, were improper, thus the minister had declared them null and void as soon as it was brought to his attention.

One of the appointments was for a secretary to the chairman. Her qualifications included some higher education, work in the postal service but apparently most importantly membership in the Tchelet Lavan faction of the Likud. None of the usual procedures had been followed in advertising the post, nor was evidence of her education and educational qualifications contained in her file. Her fringe benefits included a company car.

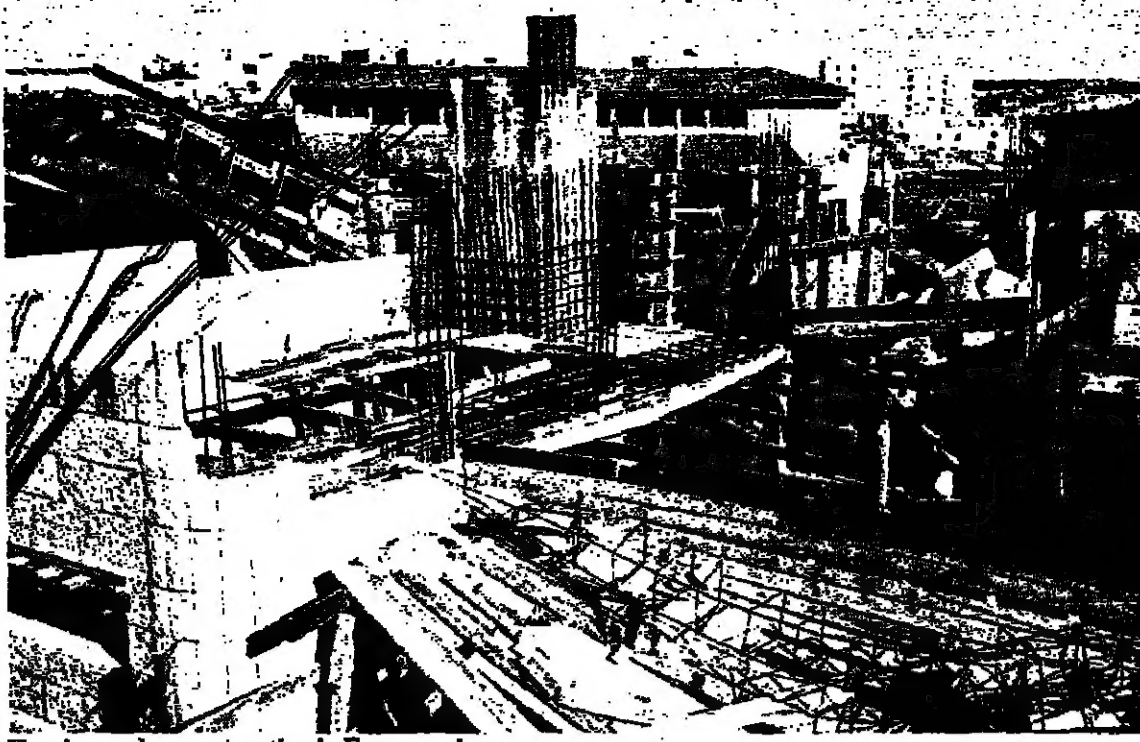
Two of the other jobs — a deputy director-general in charge of coordination and a corporation secretary — were created in October 1986. The latter job had been filled for nine years by the administrative

per cent of the director-general's salary and was given a company car to carry him back and forth to Beit She'an. Last January, in response to protests by the State Comptroller, the employee returned the car.

In September 1986 a sales representative for the northern region based in Katzin was appointed in place of another employee whose employment had been terminated. He was given his moving expenses, as he was a Rehovot resident, and a car with allowances up to 1,300 kilometers a month — the highest in the public sector.

The comptroller found he had only an elementary school education, his last job was running a restaurant in Rehovot. From August 1985 until he took up his position in Katzin he had no other employment. The comptroller says, however, that he was a relative of the minister of housing.

The Housing Ministry's spokesman emphasized with respect to three of the workers that they had been interviewed and found to be the best qualified for the jobs



Housing under construction in Emmanuel

## THE HOUSING MINISTRY

# Settlement on doubtful ground

By JOEL GREENBERG  
Jerusalem Post Reporter

The Housing Ministry provided grants and loans for housing projects in the West Bank Settlements of Emmanuel before ownership of the land was registered and without agreements on guidelines for developing the area, according to the State Comptroller's Report.

The report found that in 1986, five years after construction was approved of Emmanuel by a major company, no registration has been made under either the company's or any other name.

In the meantime, the company built hundreds of flats without obtaining the development agree-

ments that permit construction according to approved plans. Neither did the company submit building plans to the responsible government agencies, the report says.

It found that senior officials provided unauthorized loans to buyers, which were bigger and on better terms than those offered residents of similar settlements. One official approved grants of \$20,000 apiece to six buyers without ministry authorization. In addition, approval and payment by the ministry of loans was handled through the building company — a situation which has created a conflict of interest, since the firm wanted to promote sales.

The report also found that many

families who received loans to buy flats did not move into them, and that in some cases a flat was sold twice. Two sales contracts were submitted to banks and two loans given for the purchase of the same flat.

The report notes findings of a police investigation which indicated that the financial collapse in 1985 of the building company at Emmanuel was caused by use of government-supplied company funds by stockholders and directors in order to buy out other stockholders. The report demands that a government receiver be appointed for the company, in addition to the one already appointed by the court, to assure the recovery of government funds stated to fund construction at Emmanuel.

# Eban raps Diaspora Jews for lax aliya

Jerusalem Post Reporter

Abba Eban has voiced scathing criticism of the Jewish Diaspora for having failed to provide Israel with a most important and precious asset — human resources and Jewish manpower. Speaking on Monday night at Beth Hatefutsot the Diaspora Museum, at the prize-giving ceremony in the world-wide photograph and film contest, "The Jewish Heritage in the Eye of the Camera," Eban said that the lack of aliya imposes severe restrictions on Israel, which has a Jewish population of only 3.5 million, instead of at least 5 million, 40 years after the Jewish state was founded.

Calling for a frank and open dialogue between Israel and the Diaspora on this central issue, which the museum was most suited to initiate, Eban pointed out that while different political, economic and cultural options would be open to Israel had the Diaspora seized the historic opportunity and filled the gap.

Some 2,000 photographs and 200 short films by 200 amateur photographers from over two dozen countries, including Hungary, Poland, East Germany, Turkey, India, Mexico and New Zealand, were submitted for this year's competition.

Winner of the first prize in the photograph category was Alain Charles Beau from France, for his series of pictures taken at a Jewish wedding in Paris. The second prize went to Jose Andres Lacko, a recent immigrant from Argentina, whose family came originally from Hungary, for his photos documenting Jewish cemeteries in Hungary and Czechoslovakia. Third prize was awarded to Avraham Yitzhak Amzalak from Israel, for his photos of the uncovering of a Jewish cemetery in the Amazonas region in Brazil.

In the film-video category, the first prize went to Gvora Gluspey from Belgium, for his animation film *The Golem*, and second prize to Perry Brickman from the U.S., for his film, *The Georgian First Physician — a Sephardi Jew*.

Yehoshua Rotenstreich, chairman of the jury, said the cameras of over 200 photographers have captured the diversity of the Jewish heritage and the creativity that exists wherever Jews live. The past reflected in the photographs, giving us glimpses of the wealth and variety of Jewish life, leads to our present, which again marks the beginning of our future, he said.

Susie Propper, chairperson of this year's contest, the third since 1981, which is organized by the Association of Friends of Beth Hatefutsot in Israel, in cooperation with *The Jerusalem Post*, praised the worldwide response to the contest most of which had come from readers of the paper's international edition.

The members of the jury, together with Rotenstreich, were David Gila-di, David Rubinger, David Alexander and David Silber. Mervie Shalit, chairman of the Association of Friends who chaired the ceremony, thanked the team of volunteers who worked for months organizing the contest.

A selection of 180 of the entries, by 38 amateur photographers, has been made by Margalit Bergstein and Dudu Gal, and is now on display at the museum.

## THE CIVIL ADMINISTRATION

# Territories' water supply drying up with overuse

By ELAINE RUTH FLETCHER  
Jerusalem Post Reporter

Jewish settlements in the West Bank supplied by Mekorot have exceeded their water quotas by as much as 36 per cent; the Gaza Strip's water aquifer is being dangerously depleted, and quotas there have been exceeded by Arab well-owners.

Meanwhile, approval of development plans for hundreds of West Bank Arab cities, towns and villages has been delayed for years, sparking disarray and irregularities in development and issuing of building permits.

These are some of the major findings in the State Comptroller's report on the activities of the West Bank and Gaza Strip's Civil Administration.

The report found that in fiscal 1985, the Jordan Valley's Jewish settlements overstepped their water quotas by 35.6 per cent, while settlements in Judea overstepped their quotas by 44.8 per cent. Together, settlements in the two regions used over 36 million cubic metres of water compared with the 26.6 million cubic-metre allotment to them.

The water company, Mekorot, which supplies the water needs of the Jewish settlements, exceeded its pumping quota in the Jordan Valley by about 20 per cent — taking out some 260,000 cubic metres of water above its annual 700,000 limit in 1985-86.

This occurred despite water authority recommendations to reduce consumption so as to avert the dan-

ger of salinating local water supplies.

The comptroller found that the Civil Administration did not oversee Mekorot's activities sufficiently.

Over-pumping poses an even graver problem to the long-term viability of the Gaza Strip's water aquifer, which currently supplies all of the area's water needs.

Annual agricultural and residential consumption outstripped natural replenishment of the aquifer by a rate of 50 per cent. While water consumption amounted to 91 million cubic metres in 1985, the Gaza aquifer replenishes itself at a rate of only 60 million cubic metres a year.

If the excessive pumping continues, the report warns, the entire Gaza aquifer may be rendered "useless," and the burden of supplying Gaza's water needs will fall on the rest of the country.

The best long-term solution, the comptroller suggests, may be the pumping of some water from Israel proper to the Gaza Strip, along with replacement of leaky pipes, new desalination projects and stepped-up water conservation.

Quotas on Gaza agricultural water consumption are not tightly maintained by authorities, the comptroller notes. In fiscal 1985, the owners of 313 of the Gaza Strip's 2,072 wells exceeded their water allocations, by a total of 2.6 million cubic metres — or 18 per cent, but they were charged only small fines for this.

Other findings on the water and sewage issue include:

- West Bank Arabs pay significantly more for their water than do

Jewish settlers, whose water bills are subsidized by the World Zionist Organization;

- West Bank drinking water was found to be substandard in 10 per cent of the tests carried out by the Ministry of Health in fiscal 1985;

- By April 15, 1986 water debts in various West Bank towns and settlements amounted to \$648,780. Most of the debt was accrued by Nablus, Hebron, Ramallah and Bethlehem. The Civil Administration, the comptroller charges, did not do enough to collect the money.

- Mekorot seized several dunams of land in Samaria in 1986, drilled for water in the Judean Hills and laid water pipes for a Jewish settlement without receiving proper approval or compensating local Arab land-owners. The comptroller notes that compensation has since been offered.

- In most Gaza Strip and West Bank towns, sewage is still not being processed. The sewage problem represents a pollution time bomb for wadis and underground aquifers in the area, the comptroller warns.

- "If a solution is not expedited...the problem will cause greater damage, and the financial investment required will be much greater than it would be today," it says in the report.

Large quantities of raw sewage flowed from Jerusalem and Al-Bireh neighbourhoods to Wadi Kelt and sewage from Ramallah has overflowed into a nearby army camp, the comptroller notes, citing instances of resulting pollution.

A "particularly critical" sewage

problem exists in the area covering Nablus, Al-Bireh, Jericho, Bethlehem, Beit Jallah, Beit Sahur, Hebron and the refugee camps. And completion of waste disposal systems in the large cities of that region will cost an estimated \$10 million, the comptroller says.

Although in a number of West Bank towns, planning for sewage systems has begun, they have still not been implemented. Implementation of these plans for Gaza, prepared by the Civil Administration, is estimated to cost \$16.3m.

On the matter of water prices, the report notes that Jewish settlers pay Mekorot only 15-23 agrot per cubic metre for water, the lower rate being for agricultural supplies. Arab consumers, meanwhile, pay the Civil Administration a whopping 70 agrot per cubic metre for Mekorot-supplied water, and do not receive a lower rate for agricultural purposes. Arab local authorities supplying water to consumers charge even higher rates — NIS 1-1.60 per cubic metre.

Water loss from old and leaky pipes is one of the main factors contributing to the \$648,000 water debt on the West Bank, the comptroller says. But the problem of water loss is not restricted to Arab towns, noting "inexplicable" water losses of 41 to 44 per cent in 1983 and 1984 in two Jewish settlements.

In the Gaza Strip, some local authorities lost anywhere between 20 to 49 per cent of the water supplied to them through leaky pipes. Building, planning and real estate activities also came under close scrutiny by the comptroller.

West Bank village mukhtars de-

manded exorbitant fees — sometimes \$1,000 or more — for permits they issued on behalf of the Civil Administration in real estate deals. The comptroller also cites irregularities in the administration and financing in the West Bank of the "village leagues" set up by the Civil Administration.

Even more striking, according to the comptroller, is the total absence of a clear West Bank policy governing development and building. This has led to confusion and delays in the approval of up-to-date municipal and regional plans.

The report notes that no plans exist for five out of 25 West Bank cities sampled. The other 20 towns and cities have plans from the 1950s and 1960s. Hebron's dates as far back as 1944.

Currently, four regional plans, 183 village plans, and 20 town and city plans are either completed or are in the process of being drawn up. However, their approval has been delayed for up to four years, and some of the plans are already out of date.

"A clear planning policy does not exist in anything concerning area plans, the issue of Jewish and Arab settlement expansion, building in villages or agricultural areas, population increases, and the provision of services," the comptroller states.

The lack of clarity in planning policy means that building permits are issued for widely varying reasons

of judgment, rather than in line with clear standards.

Building permits in Arab villages are often approved on the basis of plans that have not yet been formally reviewed or approved, or on the basis of outdated plans from the Mandate period.

In Jewish settlements the situation is somewhat better. Plans have been approved for some 60 settlements and those for another 130 are under formal review. But these plans also are marked by an absence of "unified guidelines," the comptroller finds.

The comptroller also complains about the Civil Administration's insufficient supervision of the building permit process in Arab villages and municipalities.

Claims to some 70 per cent of land in West Bank villages have not been formally registered, the report notes. At the same time, building permits are often issued without verifying ownership titles.

The comptroller cites instances in which municipal planning councils issued building permits contrary to the law. The Civil Administration, in a response to this criticism, says that warnings have been issued, adding that in one case a mayor was brought to court and removed from his duties in a town where violations occurred.

The Civil Administration's Planning Office also suffers from a lack of coordination, according to the comptroller. Local engineers and surveyors often work illegally for private firms, creating a conflict of interest.

## TODAY'S ENTERTAINMENT

### EDUCATIONAL TV

9.00 Telecast 9.05 Keep Fit 9.15 Making Magic 9.30 The Heart 10.00 Adventures on Falcon Island (part 2) 10.25 TV Game (repeated) 10.55 Hounded School (part 1) 11.20 Coo Line and John Taverish 14.00 Telecast 14.05 Family Problems 14.45 Colour in the Creek (part 1) 15.10 Rahov Sumsum 15.40 Telecast 15.45 Keep Fit 16.00 This Is It — live music 17.00 A New Evening — live magazine

### ISRAELI TV

17.30 Ritz Ritz (repeated) 18.00 Science fiction series 18.25 A Look at Nahal Zin 18.30 News 18.35 Arts Magazine 19.00 Meeting — current affairs 19.30 News

### HEBREW PROGRAMMES resume at

20.00 with a news roundup 20.02 Mebat Spot 20.50 Beauty Spot — tips on hair and tips 21.00 Mebat Newsreel 21.30 Fresh Fields, British series, starring Julia McKenzie and Anton Rodgers

22.00 Journey to Jewish Communities — Poland (part 2) 22.50 L.A. Law — American series about a law firm 23.00 Language Corner, introduced by Avshalom Kor, and News

### ISRAELI TV CHANNEL 2

19.00 Care Bears 19.30 Tappit — science and technology magazine 20.00 Jazz 20.30 Roundup of the Demanjuk Trial 21.00 Pop 7

### JORDAN TV (unofficial)

17.30 Cartoons 18.00 French Hour 18.30 News in Hebrew 20.00 News in Arabic 20.30 Me & My Girl 21.10 The Two Mrs. Grenville 22.00 News in English 22.30 Feature film

### MIDDLE EAST TV

13.30 Another Life 14.00 700 Club 14.30 Shape-Up 18.00 Another Movie: The Egyptian 17.00 Flying Horse 17.30 Fraggle Rock 18.00 The Jeronimo 18.30 Doc 18.00 News 20.00 Scamrow and Mrs. King 21.00 Showcase Theatre: Mary, Mary 23.00 700 Club 23.30 Another Life

### VOICE OF MUSIC

6.02 Morning Melodies 7.05 Rosalind; Moema's Overture (Philharmonia/Schmoller); Mozart: Minuetto; Hummel: Adagio, theme and variations (English Chamber/Leppard); Holst: "St. Paul's Suite" (Bournemouth/Hunt); Tchaikovsky: Rhapsody Variations (Rostropovich, Boston/Capella); Rimsky-Korsakov: Variations (Rostropovich/Zimmer); 9.00 Kolobren: Symphony No. 3 (Finnish Radio/Berglund); Palmgren: "The Flood" Piano Symphony No. 3; Kant: Katerata Suite (Katerata/Pennell); Rautava: Divertimento; Salminen: Choral; Sibelius: Kalevala; Haydn: Quartet No. 2 for Guitar; Piano Sonata No. 4 13.05 Chabrier: Symphony in D minor; Piano Concerto No. 4 (Aishitzy, Puzos/Garner); Beethoven: Piano Concerto No. 4 (Aishitzy, Puzos/Garner); Schumann: Piano Concerto No. 4 (Aishitzy, Puzos/Garner); 16.00 L. Tunes, Soprano, Y. Tunes, Violin, D. Tunes, Cello, Y. Zai, Piano — Tchaikovsky: 6 Romances; Prokofiev: Sonata for Violin Solo; Shostakovich: 7 Romances 17.30 French Bar-

oque Music 18.00 Music Anthology 19.00 Light Classical Music 20.00 Musical Medley 20.30 Jerusalem Symphony Orchestra — Brahms: Academic Festival Overture, Variations on a Theme by Haydn; German Requiem (Berndt); Haydn: Variations (Katz) 23.00 Golden Generation — Glenn Gould, Glenn Gould: Sonata No. 3 for Cello and Piano (Roslowski); Beethoven: Sonata No. 3 for Cello and Piano (Roslowski); Piano Trio No. 1, "The Ghost" (Roslowski, Chomsky)

### RADIO 1st

6.03 Programmes for Olm 7.30 Programme in Easy Hebrew 8.05 Compas 8.27 The Demanjuk Trial live broadcast 8.35 Songs 18.30 University on the Air 18.05 An Unknown Land 17.00 News in English 17.30 News in French 18.00 Jewish Traditions 19.00 Lesson in Talmud 19.30 Bible Reading 19.30 Programmes for Olm 22.01 I Have a Dream

### RADIO 2nd

6.12 Gymnastics 6.30 Editorial Review 6.53 Green Light — news from the 80s 7.00 This Morning — news magazine 8.05 Making an Issue 9.05 Children's programme 10.05 All Shades of the Network 12.10 O.K. on Two 13.00 Midday — news commentary, music 14.05 Culture and Arts Magazine 14.30 Humour 15.05 Magic Moments 16.05 Magic in Israel — Hebrew Songs 17.05 Economics Magazine 18.05 Spotlight 18.45 Today in Sport 19.05 Today — radio newswire 19.35 This Week in the Knesset 20.05 News — folklore magazine 22.05 Hebrew Songs 22.05 Between Ourselves

### ARMY

6.05 University on the Air 6.30 Open Your Eyes — songs, information 7.07 707 8.00 Good Morning Israel 9.05 Open House 10.05 Coffee Break 11.05 Right Now 13.05 Time Out 16.05 Four in the Afternoon 17.00 Evening Newswire 18.05 Economics Magazine 19.05 Hebrew songs 20.05 Army and Defence Magazine (repeated) 21.00 Mebat — TV newswire 21.30 University on the Air (repeated) 22.05 The Magical Mystery Tour (repeated) 23.05 The 24th Hour 23.05 Night Birds — songs, chat

### ARMY TWO

18.05 Radio Radio 20.05 Information, regards and radio games 22.05 Popular songs 23.05 All That Jazz

### DAILY ENGLISH BROADCASTS

ISRAELI RADIO on 578 and 1440 kilohertz (AM) 7.00-7.15 News, 12.00-12.15 News followed by: SUNDAY — "This Land" travel magazine MONDAY — "Mainstream" consumer and community affairs TUESDAY — "Israel Mosaic" weekly magazine WEDNESDAY — "With me in the studio" news interview THURSDAY — "Studio Three" arts magazine FRIDAY — "Thank Goodness It's Friday" Sabbath eve programme SATURDAY — "Spotlight" people and issues in the news 17.00-17.05 News, 20.00-20.15 News

## CINEMA PERFORMANCES

### JERUSALEM

Best Agony: Mary Poppins 4:30; Donna Flor and her Two Husbands 7; The Godfather I & II; Manhattan, midnight; Eden: Battle 4:30, 7:30, 9:30; Edelweiss: Quartermain's Harem 4:30, 7:30, 9:30; Israel Museum: The Jewish King Lear (Yiddish/Eng. subtit.) Green Fields (Yiddish/Eng. subtit.) 9:15; Kfir: The Name of the Rose 4:30, 7, 9:30; Mitzvah: Children of a Lesser God 7:15, 9:30; Orca: Orca 8, 9:15, 9:40; Orca Or 1: Wanted Dead or Alive 4:30, 9:15; Orca Or 2: Something Wild 4:30, 7:15, 9:15; Crocodile Dundee 10:30 a.m.; Rocky Horror Picture Show 11:15 p.m.; Orca Or 4: Betty Blue & Crocodile Dundee 4:30, 7, 9:15; Hanna and Her Sisters 11:15 p.m.; Orca Or 5: No Mercy 7, 9:15; Iron Eagle 10:30 a.m.; 4:30; Rumble Fish 11:15 p.m.; Orca Or 6: Police Academy IV 4:30, 7:15, 9:15; Orca Or 7: Crocodile Dundee 4:30, 7:30, 9:30; Semadar: Cris Cuervos 7, 9:15.

### TEL AVIV

Best Lesson: Koyanizgatal 11:15 p.m.; Ben Yehuda: Field of Honor 7:30, 9:40; Chien 1: Police Academy IV 5:30, 7:55, 9:55; Chien 2: Little Shop of Horrors 5:30, 7:45, 9:50; Chien 3: Stand By Me 5:40, 7:50, 9:50; Chien 4: Tin Men 11, 2, 9:40; That's Life 11:10, 7:15; Chien 5: Sou Man 11, 2, 5:40, 7:15, 9:55; Chien 6: Over the Top 5, 7:30, 9:40; Cinema Two: Room With a View 5, 7:30, 9:40; Dekel: Crocodile Dundee 7:15, 9:30; Dismantling 1: Les Fugitives 11, 1:30, 5, 7:30, 9:50; Dismantling 2: Personal Services 11, 1:30, 5, 7:30, 9:50; Dismantling 3: Decline of the American Empire 11, 1:30, 5, 7:30, 9:50; Drive-In: Battle 5, 10; Sex film 12 midnight; Eastern Out of Bounds 5, 7:30, 9:45; Gate: Late Summer Blues 5, 7:30, 9:45; New Garden: Marriage of Maria Braun 5, 7:30, 9:30; Makolovna ZDA Houses: Red Kiss 5, 7:30, 9:30; Blade Runner 11:45 p.m.; Med: Battle 5, 7:30, 9:40; Lew 1: Down by Law 2, 5, 7:40, 9:50; Lew 2: Clockwork 2, 5, 7:40, 9:50; Lew 3: Melo 7:40, 9:50; Lew 4: Tenet de Soiree 5, 7:40, 9:50; Lamer Memeludash: Platoon 4:30, 7, 9:30; Rocky Horror Picture Show, midnight; Mitzvah: Quartermain 5, 7:30, 9:30; Orca: Children of a Lesser God 4:30, 7:30, 9:30; Para: Betty Blue 11:45, 2, 4:15, 7, 9:30; Pear: Best Shot 5, 7:30, 9:30; Shekaf: Radio Days 5, 7:15, 9:30; Shekaf: Something Wild 5, 7:30, 9:40; Play It Again Sam, midnight; Taurus: Rose 7, 9:40; Everything You Always Wanted to Know About Sex 12:15 a.m.; Tchelet: The Shop Around the Corner 5:30, 7:40, 9:50; Tel Aviv: The Barbarians 5, 7:30, 9:40; Tel Aviv Museum: Death of a Salesman 4:30,

7, 9:30; Zafon: The Name of the Rose 4:30, 7, 9:45.

### HAIFA

Amphitheatre: Over the Top 4:30, 7, 9:15; Amnash: Closed for renovations; Atzman 1: Battle 4:30, 7, 9:15; Atzman 2: Radio Days 4:15, 7, 9:15; Atzman 3: Children of a Lesser God 4:15, 6:45, 9:10; Chien Memeludash: Crocodile Dundee 4:30, 7, 9:15; Green Or Memeludash: Battle 4:30, 7, 9:15; Vacation Blues 4:30, 7, 9:15; New-Got 2: Little Shop of Horrors 4:30, 7, 9:15; Reel: Critical Condition 4:30, 7, 9:15; Shekaf: Down by Law 7, 9:15.

### RAMAT GAN

Amnash: Police Academy IV 5, 7:45, 9:45; Lily: The Never Ending Story 6; Forbidden 7:30, 9:30; Oasis: Crimes of the Heart 7:30, 9:45; Orca: Battle 5, 7:15, 9:30; New-Got 2: Something Wild 5, 7:30, 9:45; New-Got 3: Stand By Me 5, 7:30, 9:45; New-Got 4: Little Shop of Horrors 5, 7:30, 9:45.

### MERZLYA

Dan Accadia: No Mercy 7, 9:30; Daniel Harel: La Rayon Vert 7:15, 9:30 (occ. Wed.); David: Battle 5, 7:15, 9:30; Hechel: Ferrie Buelier's Day Off 5, 7:15, 9:30; New Tiferet: Crocodile Dundee 7:30, 9:30.

### HOLON

Amnash Memeludash: The Morning After 7:30, 9:30; Duck Soup 11:30 p.m.; Mitzvah: Police Academy IV 7:30, 9:45; Saver: Children of a Lesser God 4:30, 7, 9:30.

### BAT YAM

Atzman: Children of a Lesser God 4:30, 7, 9:30.

### GIVATAYIM



CARLYLE CALLED antiquities "a sermon in stone." Ruskin proclaimed that the buildings and art of a people are the expression of their religion, their morality, their national aspirations and social habits. Ruskin's dictum could well be applied to Dan Tani, the architect who has carried out restoration work on over 100 ancient sites in Israel. "People should be able to see the past. Nay, to preserve it people should live it. Nothing keeps buildings from decay better than constant use of them."

Sprightly, rather short in stature, Tani moves fleetingly among the stone and thistles, aided by a thick walking-stick. He loves his work, which demands much research and imagination, as well as the ability to make a decision. Stones need assistance to tell their story.

Tani's tenet that antiquities are best preserved if they are used, has the backing of De Angeles Doras, supervisor of antiquities at Unesco.

"If I could have had my way, Caesarea would have been rebuilt and people would live within the precincts of its ancient walls. Take Caracalla in southern France, for instance. Beautiful. And so attractive to tourists!"

"I would have at least restored the ancient synagogue in Caesarea. The place has a Jewish history, not only Roman and Crusader memories. Tani is very attentive to Jewish historical references. "It is entirely legitimate to care for one's past. Everybody does it."

When Tani started his restoration work, mainly at the initiative of Teddy Kolek, then the director-general of prime minister Ben-

## Stony hearted

There and then/Sraya Shapiro



'People should be able to see the past' - Dan Tani.

Gurion's office, there was opposition from professional archaeologists. "They would like stones to lie in ruins, as they found them." But the general public is not endowed with the vivid imagination that professionals of history acquire. "People must see something more concrete: restoration is inevitable."

The archaeologists have finally been won over. Nevertheless, Tani says: "We consult the professionals on everything we do, particularly those who have conducted digs on the site."

The restorer's aim is to closely evoke a site's original appearance. That was easy enough in Sebastia, where ancient columns were unear-

thod. But in Avdat, in the Negev, very few broken shafts were found. Tani did not hesitate to cast new columns in concrete, similar to those erected by the ancients. Avdat's splendour makes an impact on the visitor, even from afar.

In adapting the Caesarea theatre, Tani had no doubts about replacing the ruined southern tiers with concrete seats, replicas of the originals.

IF THE SITE is not intended for regular use, Tani leaves the ruins intact, but lays paths for the use of sightseers. At Nimrod's Castle, in the north, a scenic road leads to a forbidding hilltop round which medieval walls still stand. Inside, a

track allows visitors to tour the site, providing iron rails to help them retain their equilibrium in dangerous spots. In winter, the area is covered with vegetation, in summer it is grey and yellow with thistles.

Much of Tani's work has been commissioned by the National Parks Authority which puts up notices, provides guards and collects entrance fees.

Tani's work can be seen in Acre, Jericho and Hebron (where he restored, at the request of the Ministry of Defence, the Avraham Avinu Synagogue.) In Jerusalem's Old City he has rebuilt four ancient synagogues from ruins. "Everything about the reconstructed praying places is genuine, a truthful representation of their past glory," he says.

His intimates call him "Max," but Dan Tani squirms at the mention of his "German" past. He came here as a young man, and has made a conscious effort to identify himself with the country's landscape and history.

Perhaps his most dramatic hour came 20 years ago when Teddy Kolek asked him to clear the area facing the Western Wall. It was a day or two after the Old City had fallen. The Wall was then flanked by the squalid Mograbi Quarter, from whose houses Jewish worshippers were often pelted with stones and ordure.

Tani's task took 36 hours. When visitors were allowed to visit the Wall, I remember seeing Tani, sitting in a corner, dusty and pallid, with his stick and soft hat. He smiled faintly, but said nothing. Most visitors did not know; of course, what he was doing there.

## WIMBLEDON 1987

# Pam holds her nerve

By DAVID HOROVITZ and agencies

WIMBLEDON. - Pam Shriver, the tall, fifth-seeded American caused the only upset in the ladies' singles here yesterday.

In an enthralling three-setter, Shriver (1.80m.) beat an even taller opponent, fourth-seeded Helena Sukova of Czechoslovakia. It was no easy task, however, and the American girl had to save a match point before coming through 10-8 in the final set. Shriver lost the first set 6-4 and her opponent was clearly the better player throughout the second set as well, but after both girls had lost their serve once and were deadlocked at 6-6 it was Shriver who raced through the tie-break into a 6-0 lead. She lost only one point before winning the second set 7-6.

In the final set Shriver finally wore down Sukova who recently hit good form beating both Chris Evert and Martina Navratilova to win the women's tournament at Eastbourne, the last preparation for the women before Wimbledon.

In the two earlier quarter-finals, Martina Navratilova and Chris Evert both sailed through their respective matches to set up their 73rd encounter. Top-seeded Martina put out unseeded Australian Dianne Bales-2, 6-1 and third-seeded Evert beat the No. 8 Claudia Kohde Kilsch of West Germany 6-1, 6-3.

Second-seeded Steffi Graf, the West German who has yet to lose a match this year, was given a fright when her good friend and doubles partner Gabriela Sabatini of Argentina took the first set 6-4. Steffi put her very competent act together in the next two sets, however, and ran away with the match losing just one game in each set.

Men's world number one Ivan Lendl finally looked at home on grass yesterday, playing solid and refreshingly relaxed tennis to cruise into the semi-finals at the expense of Frenchman Henri Leconte.

Lendl, who said at the start of the championships that he was trying to shed his robotic court image this year, signalled his intentions by leaping the net at the changeover in the first set break, rather than walk.

## LATE NEWS

### Jimmy the great

The illustrious Jimmy Connors, who yesterday caused one of the greatest sensations in Wimbledon history by literally pulling himself out of the grave, did it again last night. The weary American overcame 23-year-old Yugoslav Slobodan Zvezanovic - 11 years his junior - in a brilliant crushing display of tennis. The score 7-6, 7-5, 6-3.

He will play 11th seed Pat Cash, who beat No. 3 Mats Wilander 6-3, 7-5, 6-4.

ing round via the umpire's chair. That gesture won him the support of many in the 15,000 Centre Court crowd, and they cheered him on to a 7-6, 6-3, 7-6 victory in just 138 minutes.

There was only one break of serve in the entire match, when Leconte appeared to lose his concentration in the second game of the second set. But Lendl employed the stylish Frenchman in both tiebreaks, serving well, and frustrating the sixth seed with clipped returns that made volleying difficult.

The victory was particularly sweet for the number two seed, as it was Leconte who knocked him out of Wimbledon at this stage two years ago in four sets.

Leconte, a rather hit-or-miss player, let himself down badly at the crucial points of the match, losing the first set break with a double fault, and missing far too many first serves in the third set.

this Czech played magnificently throughout, covering the court speedily, and stretching his back-pole frame to reach the most wonderful volleys.

It was probably Lendl's finest ever performance on grass, and he is fully justifying his reputation as a top.

In an all Swedish encounter, fourth seeded Stefan Edberg overcame his doubles partner Anders Jarryd 4-6, 6-4, 6-1, 6-3. Edberg got some help when Jarryd had trouble with a dirty contact lens and this is the first time Edberg, whose game is so suited to grass, has progressed to such an advanced stage at Wimbledon.

While Lendl now contemplates his semi-final against Edberg, the Centre Court faithful were yesterday still marvelling at Jimmy Connors's phenomenal comeback against Mikael Pernfors late on Tuesday evening.

At two sets and 1-4 down, Connors had looked dead and buried, with the 23-year-old Swede playing almost fanatical tennis, beating Jumbo at his own game.

With a two-handed backhand reminiscent of Bjorn Borg, Pernfors had the 34-year-old American utterly bewildered, and Connors later admitted that his "egg was hurt" by the thrashing he was taking.

Guilty fighter that he is, Connors refused to give in, and gradually worked himself back into the third set to take it 7-5.

He was 3-6 down again in the fourth set, but again he recovered, cutting the unforced errors to a minimum, coming into the set early to frustrate Pernfors's base-line game.

At two sets all, it was Pernfors, incredibly, who looked the winner of the two and Connors took the set 6-3, ignoring the cramp in his thigh, punching the air with both clenched fists, and hounding off court with only a night to recuperate before his quarter final yesterday against Yugoslav Slobodan Zvezanovic.

Raviv Weidenfeld, Israel's top junior player and the only remaining hope of local glory at "The Championships" was edged out of the first round of the boys' singles when he went down to 10th seeded American David Whetton in a very close match; the score 6-4, 7-6 (9-7).

## Testing time for Aids carriers

Tom Tugend/Los Angeles

THE PEACE OF Mind social club in Detroit, like many dating services across the United States, will only accept clients who have been tested for the Aids virus and found to be non-carriers.

At the Rainbow Bar and Grill, a favourite singles hang-out on Los Angeles's Sunset Strip, waitress Michelle Westfall has observed the changing social mores of her customers for 12 years.

"People are being more selective," she says. "A lot of women are saying 'No.' Years ago, anybody would go out with anybody. Now when guys approach the girls, they'll turn around and say 'Aids.' The guys just walk away."

A widely reprinted cartoon from an Australian newspaper shows President Reagan at a podium. "At the end of my administration," he declares, "Man's Greatest Fear, the threat of nuclear war, will be no more - thanks to Aids."

Such observations are symptomatic of the fear, sometimes approaching panic, gripping Americans who face a daily bombardment of information and misinformation about Aids. After considerable delay, politicians are responding to their constituents' concerns.

Last month, Reagan, in his first

speech on the subject, urged "routine" testing of all federal prisoners, immigrants, and patients in hospitals run by the Veterans' Administration. He also encouraged states to pass laws requiring applicants for marriage licences to take the test.

Although his proposal has been widely criticized by civil rights advocates and gay and lesbian groups, the U.S. Senate responded by unanimously passing a bill requiring tests for all immigrants and appropriating \$77 million for anti-Aids programmes.

In California, where the Aids virus was first identified six years ago among homosexuals in San Francisco and Los Angeles, 40 bills have been introduced in the legislature, mainly by conservative politicians. One bill would test the entire population and punish those who knowingly transmit the disease; another calls for voluntary testing of mental health patients and pregnant women.

Few of the bills stand a real chance of becoming law and none go as far as a proposal by the well-known

anti-tax crusader Paul Gann. The 75-year-old Gann revealed a few weeks ago that he had become a victim of the disease through tainted blood transfusions. He urged that those who know they have Aids and pass it on be tried for murder.

"If you give it to someone knowingly, you just kill someone," Gann said.

LAST YEAR, a ballot initiative launched by political extremist Lyndon LaRouche, which would have put all California Aids patients into mandatory quarantine, was defeated only after an intensive counter-campaign by public health officials and physicians.

Such extreme proposals play on the public's fears. So far, more than 36,000 cases of Aids have been confirmed in the U.S., of which 91 per cent are in the "high risk" category consisting of homosexual and bisexual males, hemophiliacs, and a growing proportion of intravenous drug users.

The World Health Organization estimates that some 10 million peo-

ple across the globe are Aids carriers and projects that 100 million could have the virus by the end of the century.

Those figures come alive in the 53 free and voluntary test centres established by the California Health Services Department. The centres are jammed every day with nervous businessmen in ties sitting next to gay men in leather and high school lovers in jeans next to Beverly Hills matrons in designer dresses.

IN SAN FRANCISCO, the Jewish Emergency Assistance Network has compiled a list of seven different Jewish organizations and hospitals offering help to Jews. With its large homosexual population, San Francisco is still considered the Aids capital of the U.S. More than 3,000 persons in the city have been diagnosed as having the disease, among them about 200-300 Jews.

For Rabbi Yoel Kahn of Congregation Sha'ar Zahav, one of two San Francisco synagogues serving gay and lesbian Jews, the Aids crisis is a constant concern to his 325 congregants, seven of whom have died from the disease. The Jewish response to Aids, he said, is steeped in the tradition of *bikur holim*, the visiting of the sick.

THE ISRAELI FLUTE QUARTET in a programme of light classical music (Jerusalem, David's Tower, June 23.)

THE EAST Jerusalem Development Company is again sponsoring a fine series of informal concerts at David's Tower just outside Jaffa Gate. The concerts are being held on Tuesday afternoons at 5.00 and provided a good opportunity to spend one's late afternoon in the company of fine musicians playing an interesting variety of repertoire.

Besides movements and excerpts from the works of Bach, Hoffmeister and Pleyel, this concert offered Four Fantasies for flute and strings by G. Jacobs and the Moroccan Suite for like ensemble by A. Amzalag. The Jacobs work is a perfect mirror for its title: light and easily digestible with just enough piquancy to remind the listener that this music belongs in a gentle way to the 20th century. The Amzalag work effectively used the colours of the flute and the string trio to present a popularized picture of ways in which a typically Middle Eastern idiom may be effectively blended with Western musical style.

The members of the Israeli Flute Quartet played well and obviously enjoyed working in this setting, the amplification system was unobtrusive, and the only element that could effectively have been eliminated were the official opening remarks. In the absence of programme notes, however, the brief bilingual comment delivered between the selections might have been slightly expanded.

It was, in sum, a lively hour, gracefully handled and greatly appreciated by the audience of diverse backgrounds and ages. There ought to be more such series around.

DANIEL ZIFF

MUSIC BY COMPOSERS OF THE SECOND VIENNA SCHOOL, with Menahem Wiesenberg, piano; Eli Heifetz, clarinet; Yigal Tunes, violin; Ilana Toyser, cello; Michael Heifetz, flute; Guri Azmon, saxophone; Michael Kfir, narrator. (Tel Aviv Museum, June 28.)

Six Short Pieces, Op. 19, for Piano Solo; Berg: Four Pieces, Op. 5, for Clarinet and Piano; Berg: Adagio, Op. 7, for Violin, Clarinet and Piano; Webern: Quartet, Op. 22, for Violin, Clarinet, Tenor-Saxophone and Piano; Schoenberg: Chamber Symphony, Op. 9 no. 1, for violin, Flute, Clarinet, Cello and Piano.

EVEN IF the only thing this rare presentation had going for it were the fact that it took place at all - which was not the case - the performers, all local musicians, deserve every credit for refuting the popular notion about the music of Schoenberg, Berg and Webern being too taxing for the ordinary listener. Clearly, with thoughtful selection, such a programme can be as rewarding as enjoyable.

However, this music is very demanding indeed on the players, and our young instrumentalists confronted the task with considerable success. The Chamber Symphony by

## Meeting of East and West



Schoenberg, in Webern's arrangement, employed the largest force.

Written at the start of the composer's journey away from the traditional tonal musical vocabulary, it is notoriously intense in emotion, complicated in rhythm and polyphony and calls for both individual virtuosity and highly coordinated teamwork. The performance - obviously prepared with care - was precise and authoritative, even if less intellectually vigorous than one might have wished.

In fact, the main shortcoming of the entire affair was the players' somewhat reticent response to the white-hot, expressive thrust of the music - a substantial flaw, for it is this uncompromising aesthetic position, no less than the technical side, which set the composers of the so-called Second Vienna School apart from this century's musical scene. Thus, Arnold Schoenberg's Six Short Pieces for piano featured a rich tone-colour palette, emerging elegant and nicely poised, yet limpid.

Anton Webern's Quartet was no exception: the extreme concentration called for by its minimalist texture. On the other hand, the Alban Berg Adagio - the composer's arrangement of the second movement of his Chamber Concerto - was impressive, with a distinctively idiomatic contribution by violinist Yigal Tunes. Berg's remarkable short pieces for clarinet and piano - especially the deeply moving last one - received a dedicated reading from Eli Heifetz and Menahem Wiesenberg.

On stage the entire evening, Wiesenberg proved an intelligent, industrious and dependable pianist. Indeed, all the participants acquitted themselves well. For this listener, the excerpts from the letters and other writings of Schoenberg, Berg and Stravinsky, read by Michael Kfir, were superfluous.

ELI KAREV

THE ISRAELI PHILHARMONIC ORCHESTRA, Zubin Mehta conducting, with Itzhak Perlman, violinist, (Tel Aviv, Mann Auditorium, June 29.)

MOZART is good material for summer concerts. In New York, where it gets no less hot and humid than in Tel Aviv, they discovered this years ago - ever since, the Mostly Mozart festival has been held there in July and August. This season, we here have also been treated to a generous helping of the composer's crisp,

sparkling music.

It was against this backdrop - quite literally, for the Mann Auditorium was still sporting with operatic props of *Le Nozze, Don Giovanni* and *Così fan tutte* - that Itzhak Perlman and Zubin Mehta performed Mozart's Third Violin Concerto.

From the opening orchestral strains, it became clear that elegance, charm and vitality were to reign supreme. Add the sweetness and radiance of the violinist's tone to the conductor's collaborative wizardry, and the pleasure was guaranteed.

Never mind that by his own Olympian standards, Perlman may not have been in top form - he appeared to be in the process of settling down, putting his interpretation into shar-

per focus during most of the performance. Whatever the shortcomings, the soloist compensated amply by the sheer magnificence of his handling of the Adagio from Bach's G-minor sonata, which he played as an encore. Here, Perlman's violin sound, while losing none of its inherent expressivity and inner life, suggested the organ in its stately grandeur and power.

The Bach almost served as a bridge between the Mozart and Bruckner, both by Viennese masters, but composed 111 years apart. A mighty edifice (it lasts 80 minutes), the symphony unfolds unhurriedly and inevitably, creating moments of incomparable beauty - as in the Adagio movement.

A recognized expert on the Bruckner Eighth, Mehta's reading proved both monumental and humble, combining epic breadth and ever pulsating inner life. The IPO musicians who, like their director, must by now know the symphony by heart, acquitted themselves with flying colours.

ELI KAREV

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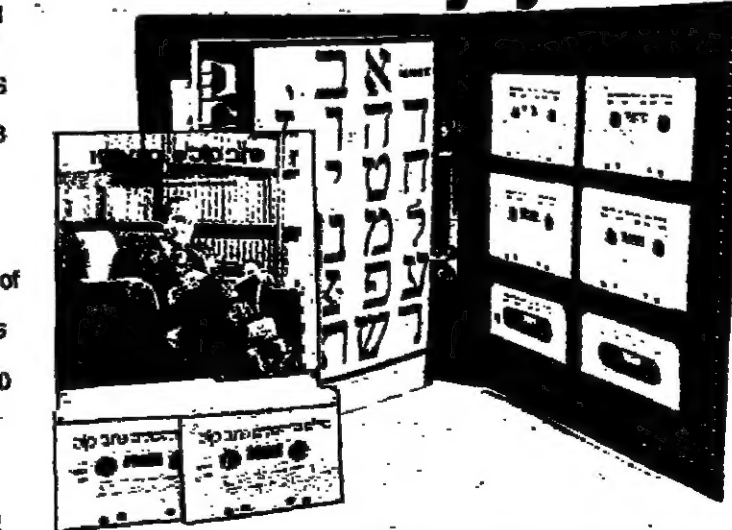
Shalom From Jerusalem - Advanced II (for those with a command of a 1500-word vocabulary) - 10 new cassettes of radio recordings plus booklets with translation of difficult words into English, French, Spanish and Russian. NIS 136 + NIS 10 postage; trial programme (1 cassette) NIS 18 (+ NIS 5 postage).

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Shalom From Jerusalem is a joint production of Kol Israel and the Hebrew Language Division, Department of Education and Culture in the Diaspora, W.Z.O.

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NAME \_\_\_\_\_ ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ CODE \_\_\_\_\_ TEL \_\_\_\_\_

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## TOUR DE FRANCE

BERLIN (Reuters). - Dutchman Jelko Nijdam won the time-trial curtain-raiser to the 74th Tour de France here yesterday.

Nijdam covered the 6.1 kilometre in seven minutes and 06.80 seconds, three seconds ahead of the Polish rider Lech Fiaszeki, winner of the 1985 amateur world road race championship in Italy.

Irishman Stephen Roche was the quickest of the pre-race favorites, finishing third, seven seconds slower than Nijdam.

## CRICKET

LONDON (Reuters). - England prospect David Capel and Robert Bailey spurred Northants to a thrilling seven-wicket win over county championship leaders Yorkshire, boosting their county into third place in the table.

Second-placed Lancashire lost a great chance to regain the top spot after a sensational collapse against Derbyshire. Lancashire needed only five runs to triumph but they lost their last three wickets for one run leaving Yorkshire still in command, albeit only by a three-point margin. Northants are a further 14 points adrift but have three games in hand.

Fourth-wicket pair Bailey and Capel added 286 and steered Northants past their 253 target. Bailey made 152 not out and Capel an unbeaten 91 in his last innings before the third test against Pakistan, starting at Headingley today. He is in England's 12. Earlier he had taken 7-66.

## HIGHER THAN EVER.

Sweden's Patrik Sjoeborg broke the world high jump record when he cleared 2.42 metres at the Stockholm Grand Prix athletics meeting on Tuesday. The previous record of 2.41 metres was set by Igor Paklin of the Soviet Union in Kobe, Japan, in September 1985.

(Reuters telephoto)

Shalom From Jerusalem







## Foreign money flow abated

## Reserves growth slowed in June

Post Economic Staff  
Foreign currency reserves grew by \$63 million in June to reach \$4.6 billion, the Finance Ministry reported yesterday.

The rate, however, was slower than in May, when reserves grew by \$144m., and April, when they were \$103m. higher. Nevertheless, observers greeted the smaller rate of inflow of June as good news, contending that it indicated the flow of foreign money into Israel for investment in short-term shekel accounts that had slowed.

The interest rates offered on the accounts are highly attractive by international standards, and in recent months they have lured deposits from overseas. As a result, however, Israel's foreign currency reserves swelled to unprecedented levels, leaving policy makers in a lurch over what to do about it.

The money had to be used constructively, such as to pay for imports that are cheap at the moment, as oil was last year, or pay off foreign debts early, otherwise in the long run it would be a net for the country.

The Treasury also exported yesterday that monetary injection during June came to \$140m. Although day-to-day government spending resulted in an absorption, the Bank of Israel injected even greater sums into the capital markets.

This was done principally through its open-market operations, where it was involved in buying Treasury bills from the commercial banks to relieve their seasonal liquidity pressures.

As a result, the monetary figures, like the growth in the reserves, indicated a far better situation than a superficial look at the figures would indicate.

## Industrial output growth rate slows

Post Economic Staff  
The pace of industrial growth slowed in the first quarter of the year, but was still 8 per cent higher than a year ago, the Central Bureau of Statistics reported yesterday.

Using fixed prices and seasonally adjusted figures, the bureau said industrial output grew 3 per cent in the January-March period from the previous quarter. However, that was slower than the 4 per cent rate recorded in the last two quarters of 1986.

On an annual basis, industrial production grew at a 12 per cent rate in the January-March quarter.

The rate of growth among the different industrial sectors was not the same. The rubber, plastic and chemicals industries outpaced the industrial sector as a whole, registering a 7 per cent increase in production from the previous quarter. Food, beverages and tobacco grew 5 per cent, while metals, electrical equipment and electronics rose 4 per cent.

Lagging behind the overall in-

crease were textiles, which grew 2 per cent, and the building materials sector, which was unchanged from the previous quarter.

The bureau also reported that after sharp increases last year the number of wage-earners in industry remained virtually unchanged in the first quarter of 1987. By comparison, in the second quarter of 1986, the increase was about 1 per cent, in the third quarter 1½ per cent and .05 per cent in the final three months.

On a year-on-year basis, the number of industrial workers was up 3.5 per cent, or 10,000, in the January-March quarter.

The food sector took on the most workers in the three months, putting an additional 6,000 on the payroll, followed by textiles, with 3,500 and paper products with 2,000. The electronics sector registered a net loss of 3,500 workers, the bureau said.

Daily wages, it said, soared 32 per cent in the three months from the same time last year and were up 9 per cent from the previous quarter.



Yeshayahu Gavish (Shlomo Lavie)

## Gavish takes back threat of resignation

By JEFF BLACK  
For The Jerusalem Post  
Yeshayahu Gavish, general manager of the Histadrut-affiliated industrial giant Koor Industries Ltd., yesterday withdrew his threatened resignation at the request of Histadrut Secretary-General Yisrael Kessar.

Gavish issued his threat earlier this week after Kessar sharply criticized him at a directors' meeting of Nevrat Ha'ovdim, the Histadrut holding company, called to discuss Koor's 1986 balance sheet, which showed a net-profit loss of 78.7 per cent.

Yesterday, Kessar retracted his criticisms and told Gavish he had full confidence in him both as a manager and in his capacity to lead Koor in this tough economic period. Kessar also promised to help Koor solve its financial problems, including those of its stricken subsidiary, Soltam Ltd.

Even at that, U.S. aid to Israel has been declining in real terms for the past decade, said economist Howard Rosen, a panelist at the forum.

The primary problem confronting both Washington and Jerusalem is the U.S.'s dramatic shift from the world's largest net creditor in 1982 to the world's largest net debtor in 1986. The U.S. debt, now standing at \$260 b., is projected to reach \$1500 b. by the mid-1990's. Even now, the U.S. debt load exceeds that of Argentina, Brazil and Mexico combined. The U.S. budget deficit amounting to 5 per cent of gross national product, is almost double Israel's in relative terms.

Because of the U.S. economic distress, hard choices have to be made in formulating a budget, including the process of allocating foreign aid, whose levels have diminished from \$20.2 b. in 1985 to \$12.9 b. now.

## 'Israel should return \$100m. in U.S. aid'

By KEN SCHACHTER  
For The Jerusalem Post  
TEL AVIV. — Israel should propose deferring \$100 million from next year's economic aid package to help Washington grapple with its massive deficit problems, former Israeli and American diplomats said at a forum yesterday.

Dan Halperin, former Israeli economic attaché to Washington, said that by initiating the deferral for fiscal 1988, Jerusalem would earn goodwill in Congress and "protect" Israel's position in the allocation process.

Halperin's plan was promptly endorsed by Samuel Lewis, former U.S. ambassador to Israel, who was attending yesterday's session of a three-day conference on how domestic considerations affect U.S. Middle East policy.

Israel currently receives \$1.2 billion in economic aid and \$1.8 b. in military aid from the U.S., a level 1,000 times higher than it received just 20 years ago.

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Because of the U.S. economic distress, hard choices have to be made in formulating a budget, including the process of allocating foreign aid, whose levels have diminished from \$20.2 b. in 1985 to \$12.9 b. now.

But U.S. economic difficulties will have a fallout that goes far beyond bilateral concerns, said Rosen. He questioned whether the U.S. could afford to ante up \$1 b. in aid if Jordan joins the peace process as it did for Egypt. U.S. economic interests also are reflected in military moves to keep oil flowing through the Gulf. The U.S. now depends on foreign capital, particularly that of West Germany and Japan, to keep its economy functioning. If the oil tap is turned off to those two countries, they will go into recession and "the U.S. is sure to follow," he said.

Former MK Zalman Shoval, another panelist, noted that as the total aid pool has shrunk, the relative share of Israel and Egypt, treated as twins in the budget process, has grown "immensely."

Although high aid levels to Israel are bound to draw increasing scrutiny in Congress, Halperin urged Israel to resist proposals to pull all or part of U.S. aid to Israel within Washington's huge \$300 b. defense budget.

While virtually everyone in Washington nowadays agrees Israel is a "strategic asset," and Israeli aid would be just a ripple in the ocean of the U.S. Defense Department, Halperin warned that such a move would be a "dangerous development."

It's far easier to make a case for aid when Israel is pitted against Turkey or Pakistan, or even poverty-stricken Africa, then when it must compete with the "101st division," he said.

On the flip side of the question, Shoval said, Israel faced its own mountain of debt "as a result of U.S. largesse. Since Washington's plight makes it increasingly difficult to forgive or reschedule interest payments, Shoval said ultimately Israel may have to trade debt for equity in the Israeli economy."

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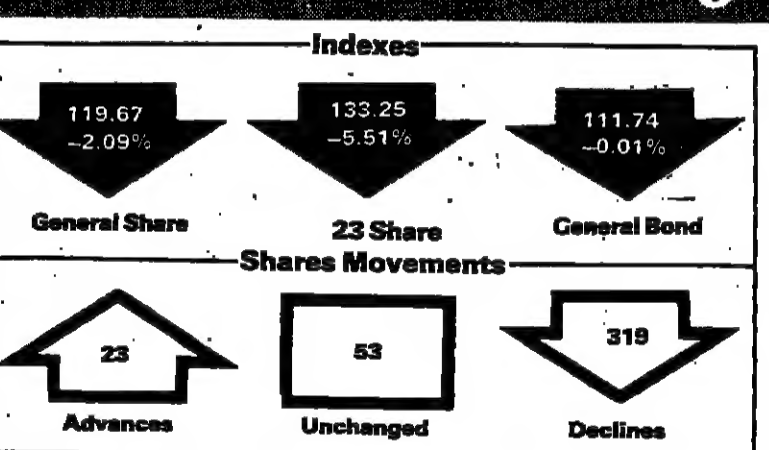
## Histadrut wage talks resume today

By JEFF BLACK  
For The Jerusalem Post  
The public sector wage negotiations between the Histadrut trade union department and the Treasury are scheduled to resume this afternoon in Tel Aviv.

Trade Union officials yesterday refused to speculate on the outcome of the talks, but said they expected to receive new Treasury proposals in response to the public sector demands for a wage rise, a shorter work week and higher pensions.

Meanwhile, Reuven Ben-Ami, the civil service union leader, yesterday reiterated threats of a total strike within the civil service next week if the Treasury refuses to agree to his union's demands for separate wage negotiations.

## Tel Aviv Stock Exchange



## Selected Prices

Name	Price	Ticker	% change
General Share	119.67		-2.09%
23 Share	133.25		-5.51%
General Bond	111.74		-0.01%
Advances	23		
Unchanged	53		
Declines	319		

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General Bond	111.74		-0.01%
Advances	23		
Unchanged	53		
Declines	319		

## Foreign Markets

## EUROPEAN FINANCIAL MARKETS (July 1)

Mortgage Bonds	130.18	-4.90%
Financial Inc.	173.21	-1.08%
Insurance	87.65	-4.25%
Consumer & Service	119.19	-5.07%
Real Estate & Agric.	110.75	-5.42%
Industrial	112.45	-4.88%
Food & Tobacco	111.47	-5.74%
Textiles	113.74	-4.52%
Transport	110.12	-3.55%
Electronics	121.77	-4.91%
Chemicals	130.58	-5.33%
Industrial Invest.	142.83	-5.88%
Investment Cos.	126.67	-5.67%
OR-Exploration	182.11	-5.89%

### Bond Indices

Index-linked Bonds	110.91	-0.91%
Fully limited	112.50	+0.06%
Partially limited	106.88	-0.17%
Foreign Currency	115.58	+0.23%
FC denominated	114.19	-0.11%
FC linked	118.53	+0.25%
Short-term 0-2 yrs	108.17	-0.16%
Short-term 2-5 yrs	110.11	-0.02%
Medium-term 5-7 yrs	113.85	-0.06%
Long-term 7+ yrs	114.00	+0.16%

### Turnovers

Total Shares	NIS	27,524,400
Non-arrangement	NIS	22,675,800
Arrangement	NIS	4,848,600

## Foreign Currency Crossrates (London 15:30 GMT)

Forward rates	Spot	3 months	6 months	12 months
US dollar	1.6145/55	1.6170/80	1.6170/80	1.6170/80
Deutsche mark	1.5970/70	1.5970/70	1.5970/70	1.5970/70
Swiss franc	1.5150/60	1.5150/60	1.5150/60	1.5150/60
Dutch florin	2.0580/70	2.0580/70	2.0580/70	2.0580/70
French franc	1.6820/20	1.6820/20	1.6820/20	1.6820/20
Japanese yen	146.63/73	146.63/73	146.63/73	146.63/73
Italian lire	1321.5/25	1321.5/25	1321.5/25	1321.5/25
Belgian franc	36.91/05	36.91/05	36.91/05	36.91/05
Spanish peseta	166.66/66	166.66/66	166.66/66	166.66/66
Portuguese escudo	200.48/58	200.48/58	200.48/58	200.48/58
Irish pound	7.876/76	7.876/76	7.876/76	7.876/76
Scottish pound	1.6145/55	1.6145/55	1.6145/55	1.6145/55
Swedish krona	1.3395/05	1.3395/05	1.3395/05	1.3395/05
Norwegian krone	1.0125/25	1.0125/25	1.0125/25	1.0125/25
Austrian schilling	13.760/60	13.760/60	13.760/60	13.760/60
Swedish krona	1.3395/05	1.3395/05	1.3395/05	1.3395/05
Norwegian krone	1.0125/25	1.0125/25	1.0125/25	1.0125/25
Austrian schilling	13.760/60	13.760/60	13.760/60	13.760/60

## Share Indices

Share Indices	1947-51	Financial Times 100	2272.5-11.8
Commercial banks	1947-51	Financial Times 100	2272.5-11.8
Industrial	1947-51	Financial Times 100	2272.5-11.8
Government	1947-51	Financial Times 100	2272.5-11.8

## 'Too early for 5-day work-week'

The five-day week — now functioning in one-third of Israel's industrial plants — should not be introduced into the public sector right now, Economic Minister Gad Ya'acobi said in Jerusalem yesterday, while winding up a meeting of the Council of Efficiency in the Public Administration.

The subject has come up in discussions over the renewal of the collective agreements between the government and the Histadrut.

According to Yusef Duriel, head of Productivity Institute, the five-day week, when applied, has not brought any changes in output, up or down. Working time remains 45 hours a week, with staff doing nine hours a day instead of eight.

Public services on the other hand have to say open all week. If their working time is reduced to five days, 1,000 extra posts would be required to make up for the day off, Duriel claimed.

One speaker pointed out that much of the business between private persons and government institutions will be settled on the telephone.

## Bourse falls sharply for 2nd day

Post Economic Staff  
Tel Aviv share prices scored their second straight day of big losses in heavy trading, putting to rest any indications from last Friday and Sunday that the market's sharp run down of the past month was over.

Only 23 shares advanced in yesterday's session, compared with 319 that posted declines. Of those, 146 were in excess of 5 per cent of Monday's closing and 18 were marked "sellers only."

The General Shares index dropped 2.09 per cent to 119.67, while the Non-arrangement Bank market plunged a sharp 5.02 per cent to 124.38. In addition to these two widely followed indices, virtually all the others registered sharp losses. Oil Exploration turned in the biggest decline of the day, which has experienced wider swings than the others, shedding 6.89 per cent to 152.11.

Other big losers were Investment Companies, down 5.85 per cent to 152.11; Food and Tobacco, off 5.74 per cent to 111.47; and Chemicals, Rubber and Plastics, off 5.33 per cent to 130.56.

Only the "arrangement" banks were ahead for the day, edging up 0.11 per cent to 116.79.

Trading was very heavy, with the volume in non-arrangement bank shares coming to NIS 22,075 million, compared with just NIS 14.82m. on Tuesday.

## Postal Authority Summer Opening Hours

More post office branches will be open during the afternoon this year than in previous years. This is the result of an arrangement between the Director General of the Postal Authority and employee representatives.

Details on opening hours are available at the following branches and telephone numbers:

Northern District:	04-644221/222
Haifa District:	04-664419
Central District:	04-668793
Tel Aviv Area:	04-60917
Jerusalem District:	03-447000
Southern District:	03-445100
	03-307256
	03-307221
	02-244745
	02-241473
	057-38387
	057-38377

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## 'Ease moshavim's debt'

By ASHER WALLFISH  
The banks have made more than enough profit from their loans to moshav farmers, and the only way they will ever get back their loan capital, plus a modest interest, is to waive the bulk of their interest, the Finance Committee told representatives of the Bank Association yesterday.

The Finance Committee told the bankers that the demand in the Ravid report on the financial plight of the moshavim, that the banks wipe out NIS 160 million in old debts, was far from burdensome in light of what the banks had earned from the farmers over the years. In fact, they should wipe out much more than NIS 160m., the bankers were told.

Likud MK Yoram Aridor set the

tone for all the factions in the committee when he said that the banks should waive every agora owing to them from excessive interest and be satisfied with the regular rate of commercial interest.

"It's a loss you banks can live with, and you'll have to," Aridor said. "If you don't agree, the Knesset can always pass legislation giving voting rights to the owners of the bank shares as they are unfrozen," he threatened.

Aridor's menace was echoed by colleagues from the Likud, Tehiya, and the Citizen's Rights Movement. The representatives of the Banks Association did not take the threat lying down, however.

Richard Armon of Bank Hapoalim said the committee had been misin-

## Israel Money Market

Bank	Deposit	Time	7 days	14 days	30 days
Bank Leumi	50-999	12.00	8.00	8.50	8.00
Bank Leumi	1,000-9,999	13.50	12.50	12.50	12.50
Bank Leumi	10,000-49,999	14.00	14.00	14.00	14.00
Bank Leumi	50,000+	14.50	14.50	14.50	14.50
Hapoalim (June 18)	Up to 999	12.00	12.00	12.00	12.00
Hapoalim (June 18)	1,000-9,999	13.50	13.50	13.50	13.50
Hapoalim (June 18)	10,000-49,999	14.00	14.00	14.00	14.00
Hapoalim (June 18)	50,000+	14.50	14.50	14.50	14.50
Discount (July 2)	50-999	8.00	8.50	9.00	10.00
Discount (July 2)	1,000-9,999	12.00	13.00	13.50	14.00
Discount (July 2)	10,000-49,999	14.00	14.00	14.00	14.00
Discount (July 2)	50,000-99,999	14.00	14.00	14.00	14.00
Discount (July 2)	100,000+	14.00	14.00	14.00	14.00
Mizrahi	40-999	12.00	12.00	12.00	12.00
Mizrahi	1,000-9,999	13.50	13.50	13.50	13.50
Mizrahi	10,000-49,999	14.00	14.00	14.00	14.00
Mizrahi	50,000+	14.50	14.50	14.50	14.50
First Bank (June 29)	50-999	8.00	8.40	8.40	11.20
First Bank (June 29)	1,000-9,999	12.00	12.50	13.00	12.50
First Bank (June 29)	10,000-49,999	13.00	13.00	14.00	12.50
First Bank (June 29)	50,000+	13.50	14.00	14.00	14.50
First Bank (June 29)	100,000+	14.00	14.00	14.00	14.50

Partial (foreign currency deposit rates, July 1)	3 MONTHS	6 MONTHS	12 MONTHS
US dollar (\$100,000)	6.500	6.750	7.000
French franc (FF100,000)	7.500	7.875	8.125
Deutsche mark (DM 200,000)	2.450	2.750	3.000
Swiss franc (SF 200,000)	2.875	2.875	3.000
Yen (¥1 million)	2.750	2.750	2.750

SOURCE: BANK LEUMI. Rates vary according to size of deposit.

## Shekel Foreign Exchange Rates (July 1)

Currency (sheqels)	Buy	Sell	Rate
US dollar	1.6500	1.6500	1.6500
Deutsche mark	0.8750	0.8750	0.8750
French franc	2.5800	2.5800	2.5800
Japanese yen (100)	1.0875	1.0875	1.0875
Dutch florin	0.7775	0.7775	0.7775
Swiss franc	1.0825	1.0825	1.0825
Swedish krona	0.2500	0.2500	0.2500
Norwegian krone	0.2288	0.2288	0.2288
Danish krone	0.2312	0.2312	0.2312
British pound	0.3500	0.3500	0.3500
Canadian dollar	1.1975	1.1975	1.1975
Australian dollar	1.1522	1.1522	1.1522
S. African rand	0.7525	0.7525	0.7525
Belgian franc (10)	0.4208	0.4208	0.4208
Austrian schilling (10)	1.2448	1.2448	1.2448
Italian lire (1000)	1.2063	1.2234	1.2118
Jordanian dinar	4.47	4.47	4.47
Egyptian pound	1.8189	1.8387	1.8288
High point	2.3442	2.3442	2.3442
Spanish peseta (100)	1.3624	1.3782	1.3702

## Foreign Markets

## EUROPEAN FINANCIAL MARKETS (July 1)

Precious Metals			Libor Rates				
Gold	London	a.m. fix	449.50	1 month	3 months	6 months	
		p.m. fix	445.75	Dollar	8 1/4	8 1/4	9 1/4
	London	noon fix	445.75		S-franc	7 1/4	7 1/4
	Paris	fix	445.75		3 1/4	3 1/4	3 1/4
	Zurich	p.m. fix	448.25		D-mark	3 1/4	3 1/4
Silver	Spot		730.00	Yes	3 1/4	3 1/4	4 1/4
Platinum	London	p.m.	555.00	SOURCE: MARINE MIDLAND BANK			
<b>Foreign Currency Crossrates (London 15:30 GMT.)</b>							
Forward rates		Spot	3 months	6 months	12 months		
Forward sterling		1,614/555	83/78	145/140	225/242		
Deutschmark		1,565/670	150/154	131/308	640/630		
Swiss franc		1,515/590	130/125	107/257	550/525		
Dutch florin		2,050/870	101/98	131/208	475/465		
French franc		6,085/900	190/220	385/435	800/900		
Italian lire		146,637/3	123/118	249/228	650/465		
Japanese yen		1321,52/3	85/105	180/210	370/420		
Belgian franc		37 75/80			35/15		
Canadian dollar		1,329/505			150/170		
ECU		1,1355/90	101/125	23/27	60/75		
S. African rand		4,905/515			19/10	65/50	
Australian dollar		12,830/95	114/25	20/16	38/28		
Swedish krona		6,378/930				1200/1300	
Norwegian krona		8,889/930	1195/1235	2285/2345	4275/4375		
Danish krone		9,515/900	355/415	740/660	1390/1610		
<b>Share indices</b>							
Commerzbank 60 stocks		1841.2-31.9	Financial Times 100 stocks		2272.5-11.6		



## THE JERUSALEM POST

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## A sorry saga

NOW THAT the special report on the Lavi has at long last been made public as part of the State Comptroller's annual survey, it is almost too painfully obvious why the Likud faction in the Knesset State Control Committee was so anxious to keep this document from public view.

The Likud, led in this as in most other matters by Herut, is politically committed to the continuance of the Lavi project. All that, however, meant nothing to the comptroller, Judge Ya'acov Maltz. From his dry factual account the once vaunted lioness emerges as an unscheduled albatross.

By delaying publication of the report until June 30, some Likud operatives apparently were hoping to allow the government time to reach a decision in favour of the Lavi's survival, without being unduly pressed by public opinion in the opposite direction. For they knew that the damning nature of the report would inevitably lead to such pressure.

With the special report now out, the Lavi's still enthusiastic but frustrated supporters are eager to at least make certain that it does not lead to a judicial inquiry, at the Knesset committee's behest. The committee cannot initiate such inquiry, explains MK Dan Tichon, because it is only warranted by a special report - which this one, thanks to the exertions of Mr. Tichon & Co., is not.

No matter. The historic verdict on the Lavi project has already been rendered by the State Comptroller, and it amounts to a virtual *post mortem*.

What it unveils may not be the grossest example of wrong-headed decision-making at the governmental level in Israel's history, but most assuredly the costliest and involving the most vital national interests. The original idea was persuasive: to design and produce a light and cheap blue-white military jet for the 1990s that would make the country moderately independent of foreign aircraft suppliers, even if they were friendly Americans. But the dimensions of the Lavi gradually swelled, and with a heavy U.S. largesse for the project, and a heavy U.S. engine, the notion of independence turned into a joke.

Its ultimate degradation is the sight of Defence Minister Yitzhak Rabin trekking, cap in hand, to Washington this week to find out what American aid could be had for a substitute to the Lavi.

If any systematic analysis of Israel's strategic requirements preceded the launching - let alone accompanied the progress - of the project, there is no indication of it in the report.

Incredibly, the Lavi seems to have been brought forth in a strategic void. This, and the mammoth cost miscalculations - some apparently deliberate - that marked the project, in effect doomed it from the start.

In attempting to rebut the State Comptroller's charges of accounting improprieties, the Defence Ministry argues that some risks in a project as complicated as that of the Lavi, could not be properly quantified. But this argument only compounds the blundering perpetrated jointly by the air force, the IAI and the ministry itself. To err is human, all right, but can a \$2.5 billion underestimate in the cost of producing a single weapon, in an economy Israel's size, be considered as anything less than scandalous?

What remains of the once formidable case for the Lavi as the country's military, technological and economic saviour is the fear that once Israel drops the project, the U.S. may soon enough disallow the use of the Lavi-earmarked \$330m. at present convertible into shekels to be used for producing other weapons. But as, oddly enough, Mr. Rabin himself is reported to have suggested, there is no guarantee whatever that Washington decision-makers will keep pouring American dollars into the Lavi either.

## Assad's tactics

IF THE PLANNED visit by Vernon Walters, the permanent U.S. representative at the UN, to Damascus means that a radical shift by Syria away from political extremism and terror sponsorship is at hand, there is no reason for Israel to take a dim view of it, despite the fact that Washington did not bother to consult with Jerusalem about the move. A modicum of Syrian moderation is needed to allow Jordan to go into peace talks with Israel.

For the moment, however, there is no evidence that President Ronald Reagan had any far-reaching rapprochement with Syria in mind when, in a communication to President Hafez Assad last week, he proposed to lift the diplomatic boycott of Syria prompted by the Hindawi affair. Nor that the Syrian chief expected to derive any but tactical advantages from the Walters visit.

On the face of it Hafez Assad should have set his sights higher. Last April, during a visit at the Kremlin, he was publicly served notice by Mikhail Gorbachev that the Soviet Union's new government did not believe in any solution to the Middle East conflict that was to be based on the use of force. The point was driven home in a more practical manner when Syria's bid for the supply of SS-20 surface-to-air missiles, with a range of 800 kms., was turned down by the Russians.

With his hope of reaching strategic parity with Israel any time soon thus apparently dashed, President Assad might have been expected to turn to the U.S. For if he has any chance at all of regaining the Golan peacefully it is surely through the U.S. and not through the Soviet Union.

Besides, he shares Mr. Reagan's interest in cutting down Hizbullah's pernicious overlordship in parts of Lebanon, even if only for reasons of maintaining Syrian hegemony in the disturbed land to Syria's west. And he has a present stake in reducing fundamentalist Iran's influence in the region, not excluding the Gulf, for all that Khomeini is still formally his ally.

But President Reagan's truly urgent purpose in despatching Ambassador Walters to the Syrian capital seems to be not much more than securing the release of U.S. hostages held by Hizbullah: a replay, in fact, of the Iranian story. President Assad, for his part, is clearly eager to oblige, as he is already putting the heat on the kidnappers, but there is nothing to suggest that, to him, this is anything but a cosmetic exercise in public relations for which he will exact a due compensation.

Reports of Abu Nidal's expulsion from Damascus - or in any case from Syria's zone in Lebanon - appear to be grossly exaggerated. So there is no cause to put out of mind the fact that only a short while ago Syria, with or without Assad's sanction, came close to blowing up an El Al plane in mid-flight, with some 400 persons aboard.

LITTLE ATTENTION was paid at the time, and it is hardly remembered today, but in late June and early July of 1976, Yitzhak Rabin and Shimon Peres, then prime minister and defence minister respectively, were on the verge of giving in to the demands of the PLO terrorists who were holding Israeli hostages aboard the hijacked Air France plane in Entebbe.

It was only the last minute information that the Kenya authorities would permit the Israel Air Force planes returning from the Entebbe raid, to make a refuelling stop in Nairobi, that persuaded the Israeli leaders to take the calculated risk entailed in the rescue raid. Until that information came, however, Rabin and Peres were under tremendous pressure by relatives of the hostages to give in to the hijackers' demands for the release of imprisoned terrorists in Israeli jails in order to spare the lives of their loved ones. That pressure was relentless and also included noisy demonstrations in front of the Defence Ministry in Tel Aviv.

Those events of 11 years ago came to mind this week in the context of the demonstration of 5,000 Israel Aircraft Industries workers, intended to signal the government not to drop the Lavi project.

There was both a difference and a similarity between the two demonstrations. The 1976 demonstration was a spontaneous expression of anguish over the fate of the hostages. This week's demonstration was organized by the IAI management and works committee, which chartered the fleet of buses to bring the IAI demonstrators to Jerusalem. But both demonstrations constituted a serious breach of public discipline in areas directly connected with national security.

I remember feeling a deep sense of shame and chagrin in 1976. But I certainly empathized with the anguish of the relatives of the hos-

## Abuse of lobby pressures

Yosef Goell

tages. But did they really believe that Rabin and Peres were not concerned about their safety, and that they had to demonstrate against them publicly in order to remind them of the peril of the hostages' lives?

Do today's IAI employees, who are understandably anxious about their jobs and their professional futures if the government decides not to go on with the Lavi, really believe that Shamir and Rabin are not concerned about the large-scale unemployment that could result from a decision to cancel the Lavi project? Isn't it obvious to the IAI employees that one of the major reasons Rabin has been dragging his feet for months on the Lavi issue - at a cost of additional scores of millions of dollars - is precisely because of his concern for their welfare and his desire to find them alternative sources of employment?

One of the basic assumptions of a democratic society such as Israel, is that the people themselves are the best judges of when they hurt, and that they are entitled to give political expression to their feelings. But democracy is not anarchy: there are red lines which indi-

viduals and societies dare cross only at their peril.

ONE OF THE GREAT advantages Israel has enjoyed over its Arab enemies in 40 years of war, is the sense of national solidarity which meant that most of us managed to overcome our real, but narrow, personal interests in favour of essential national agendas. Had we not been prepared to make such choices, time and again, there would have been no Israel today.

The families of the Entebbe hostages in 1976 were wrong in permitting their personal anguish to surmount that sense of solidarity and collective confidence. And the IAI management and employees were wrong this week.

Several years ago, our political and military leaders who were engaged in nerve-racking negotiations with the PLO for the release of the handful of Israeli hostages from the Lebanon war, went to great lengths to obtain the cooperation of the media in not reporting or amplifying the demands of the families of those

hostages for premature concessions to obtain their release.

That self-restraint, by the media and by some of the families, worked pretty well. But when Peres, Rabin and Shamir in a moment of weakness, finally gave in to those pressures and agreed to release over 1,000 imprisoned terrorists, including a large number of brutal murderers, it constituted one of their worst mistakes in office, a mistake which we have been paying for and will continue to pay for, for years to come.

A decision on the Lavi is necessarily extremely complex, with points both for and against its production. I openly admit that I, myself, do not have the necessary know-how to arrive at a rational decision. But I know what rational men do in such situations: they rely on informed experts in whom they have confidence. If we cannot trust the minister of defence and the IDF general staff, rather than the self-interested IAI, to make a decision on the Lavi, whom can we trust on anything?

I first began having suspicions about the Lavi when, about two years ago, I was invited together with other uniformed media columnists, for a day-long tour of the IAI facilities, featuring lectures and films on the Lavi, a chance to watch its covers being taken off.

I may not know much about aeronautics but I have developed a good nose for when I am being conned. And we were all being conned that day. For one thing was obvious: the IAI heads who were our hosts knew that we didn't know anything and that we were fair game.

When I realized that, I began to suspect that the IAI might be resorting to such tactics because it was unsure of arguments in favour of the continuation of the Lavi project. Which, for a layman like myself, is perhaps the most persuasive argument in favour of its opponents.

## LID

(Continued from Page One)

to sell it abroad.

"They violated the security permits they were granted, held meetings with foreign military attaches and signed contracts with foreign companies," Virshupski alleged.

"According to reliable information in my possession," he said, "the police carried out a complicated inquiry into this affair that has grave security implications."

"This [stolen] software was, on the face of it, of supreme importance for state security."

Some of the stolen information was found by police, the MK said, and he added that he had further details which he would not put in his letter "for obvious reasons."

He went on: "These facts are in the police file which has been declared classified and they lead to the conclusion that the offences were a serious blow to the security of the state, carried out in order to make money."

The thefts came to light when a Technion professor filed a complaint with the Air Force's field security unit. Police investigated and completed their probe two years ago.

Since then, complained Virshupski, several "serious developments" had occurred. The suspects were allowed to go free without any security limitations. Israeli Aircraft Industries continued with a contract it had with their company, even though it was aware of the investigation. And despite police objections, the suspects were allowed to leave the country.

"The public prosecutor has been dealing with this for two years, yet a prosecutor has only now been appointed. The matter must be brought to court at once and the suspects prosecuted for damaging state security," wrote Virshupski. An investigation should also be held into the "negligent and irresponsible" way the case has been dealt with, he added.

A spokesman for the Technion said that the three had been tried by the institution's disciplinary court and had been sentenced to three years' expulsion and heavy fines.

She said no special security check had been made when they started work on the top secret material in the aeronautics department "because the fact that they were Air Force officers was considered sufficient proof that they were not [security] risks."

## DEFENCE

(Continued from Page One)

Peres was replying to a motion of no-confidence in the government by Progressive List for Peace MK Macciyahu Peled on the subject of the Lavi.

Peled, a former general, had accused Israel Aircraft Industries of misleading the public and offering a patched together fighter plane that would never meet national security needs.

The IAI should be the subject of a commission of inquiry, Peled urged. Peres pointed out that the blame could not be placed at Defence Minister Rabin's door. He could not have abandoned the project in mid-stream, for no defence minister lightly overturned the policies of his predecessors.

Nor could Rabin have envisaged the drastic cuts in defence spending that had been necessary.

The government was still debating the matter, Rabin was in the U.S. to discuss the Lavi. The Knesset, said Peres, should wait patiently.

The no-confidence vote was defeated.

## READERS' LETTERS

## THE MEANING OF WILDERNESS

To the Editor of The Jerusalem Post: Sir, - I read with great pleasure the first 75 per cent of Pinhas Peli's *Tora* today article (Challenge of the wilderness - May 29); in the last few paragraphs, however, his arguments fall all to pieces. He, and perhaps also Professor Yehuda Gradus, whom he quoted as a supporting, secular authority for his views, have got it all wrong about the meaning of wilderness and man's relationship to it. This despite the fact that Peli quoted the prophet Jeremiah and the Midrash to good effect in the body of his article.

Peli's line of thinking, and the quote from Gradus as given, are at any rate in the good company of David Ben-Gurion's oft-quoted attitude towards the desert, which seems to have been: "Conquer it, or be conquered by it." But this is nonsense, and certainly Jeremiah knew it.

It seemed at first that Peli was going to sum up by saying: We must preserve some wilderness, especially the unsworn deserts, as a place of refuge and as a reminder of the greatness of God, compared to which our varied efforts to shift and turn objects and events on the face of the planet are puny indeed. Then I was ready to stand up and shout "Bravo."

Peli did say, "The awe-inspiring wilderness brings one face to face with the sublimity of primordial, shoreless, and unending elements of creation... it offers freedom, pristine purity, ever-new beginnings." Indeed the Negev and Sinai deserts are wonderful places for such reflections, and the beginning of wisdom, as thousands of awestruck visitors each year can testify.

But then, at the end, Peli seems to reverse himself: "The wilderness gives one a feeling of being alone, abandoned," he says, i.e., without "five-star hotels... television or telephone." His final word on that old canard, the "challenge of the desert," consisted of two very different things, said in one breath: "if

humans do not conquer the desert and learn to live in harmony with it" (my emphasis), the desert will eventually conquer and subdue them."

But why, oh why, does learning to live in harmony with the wilderness get equated with conquering it? Isn't the meaning of Jeremiah's great line: "The people that have survived the sword have found grace in the wilderness," that survivors learn to respect the wilderness as the unchanging House of God, and not a place to be "overcome" or conquered?

In his conclusion, Peli drags drought-prone Africa into the argument as well and puts modern and ancient Israel on the back for facing up to the challenge of "conquering the desert." Yet the problems in arid Africa do not arise from a hostile environment trying to conquer man. They arise from the facts of over-population and maldistribution of wealth. Hard-pressed people at the poverty line exacerbate desertification in their desperate struggle to get food, firewood and animal fodder. But, at root, what's going on there is all man-against-man, not man-against-nature. Here in Israel, we have got a lot to relearn about our deserts as well, and about "wilderness" in general: What Jeremiah, and many others of days past knew, we, from Ben-Gurion on down, too often forget, namely: that Thoreau expressed so well: "In wilderness is the preservation of the world." Not only of the world outside us, but the spiritual world inside as well.

JAMES ARONSON

Omer.

Rabbi Pinhas Peli comments: My gratitude to botanist James Aronson for his enlightening insights. I would like to state together with the Psalmist (not as read in the standard translations, but as understood by the rabbis): *m'kol melamed hiskalti*, "from all my teachers, I gained new insights." (Psalms 119:99)

## WALDHEIM

(Continued from Page One)

Sharon was quoted as saying: "The fact that Jordan invited Waldheim proves how great is the distance between us, because Jordan is aware of Israel's views on Waldheim."

At the same time Foreign Ministry spokesman Ehad Gol refused to comment when asked by reporters about the Waldheim

trip. An official who spoke on condition of anonymity gave only a general statement.

"In light of information we have on the activities of Mr. Waldheim during the war and the debate this issue has provoked, we certainly think that any country that welcomes him right now... is not taking the right step," the official said.

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## AMERICAN JEWISH-ISRAELI RELATIONS

To the Editor of The Jerusalem Post

Sir, - Gabi Sheffer ("Danger of backlash" - June 22) misses the mark on several fronts in his assessment of American Jewish relations with Israel. He exaggerates Israel's dependence on the American Jewish community, overstates American Jewish independence from Israel, partially misreads the Pollard affair, and is too pessimistic with regard to future American Jewish-Israeli relations.

To state that the "unprecedented American aid to Israel is granted primarily due to the Jewish community" is to misrepresent the essence of U.S. Middle East policy. When Richard Nixon and Henry Kissinger more than doubled U.S. aid to Israel in 1973, which set the pattern of the billions of dollars of aid in the '70s and '80s, the American Jewish factor was far down on the list. Perceptions of Israel's role in deterring Soviet influence, the impact a strong Israel would have on the peace process, and the ideological need to protect an ally and democracy dominated Administration thinking. And in the '80s, it was the strategic outlook of Ronald Reagan and George Shultz, together with the decline of oil influence, which generated the next level of U.S. assistance to Israel. The American Jewish community has laboured diligently to encourage these processes, but it is an unfortunate misreading to place such a heavy weight on its role.

While exaggerating Israel dependence on the U.S. Jewish community, Sheffer also understates the import-

ance of Israel to American Jewish life. Organized American Jewry has a vitality of its own, but the reality is that Israel's accomplishments have been a central rallying point for communal activities - educational, cultural, political and financial. While some would like an American Jewish community independent of Israel, it is too glib to suggest it already exists.

In his own way, Sheffer also misreads American Jewish reaction to the Pollard affair. He does not accuse American Jews of cowardice as a "galut mentality," but he brings the Jewish angle back in by suggesting that we feared charges of dual loyalty which would have jeopardized our ability to help Israel. Let me reiterate: our fear was that Israel's spying on its main ally would undermine American trust and subvert the special relationship. Dual loyalty was not at issue.

Finally, Sheffer is too negative in his assessment of American Jewish-Israeli relations. Despite the recent poll cited by Sheffer, there is little to warrant conclusions of long-term decline in American Jewish support. Nor is there reason to believe that the American Jewish community is weakening, or that its activity on the political scene is waning. Professional Jewish organizations do not determine U.S. Middle East policy; we do, however, have a significant role to play and expect to be playing that role for a long time to come.

ABRAHAM H. FOXMAN  
Associate National Director,  
Anti-Defamation League  
of B'nai B'rith

New York.

## BEGGING AT THE WALL

To the Editor of The Jerusalem Post

Sir, - As we have visited Israel 13 times since 1967, we feel that we are more than mere tourists. My husband and I love Israel dearly. Our son, his wife and five children live in Safad and are truly religious. However, they agree with us that it is a disgraceful practice for Jews to beg at the Wall.

We always go to the Wall to pray when we visit Israel and Jerusalem. But we deeply resent the constant demand for money that certain Jews thrust upon the tourist. They do not even hesitate to interrupt our prayers as they aggressively bound us for money.

NITA AND SON  
ROSENKRANTZ  
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between Israel  
and Egypt.  
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